



COLORADO

**Department of Health Care
Policy & Financing**

Department of Health Care Policy and Financing
Medicaid Caseload
FY 2016-17 Budget Request

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CHANGES TO THE ELIGIBILITY CATEGORIES

The Department of Health Care Policy and Financing (“the Department”) has chosen to alter the eligibility categories to reflect the different Federal Medical Assistance Percentage (FMAP) that is applied to different categories. Several steps in Medicaid expansion (described below) introduced new categories with an enhanced FMAP. Forecasting caseload by eligibility and FMAP categories allows for a more accurate expenditure estimate for each funding source. Beginning with the August 2014 JBC Monthly Report, caseload is restated to align with the eligibility categories described below.

- “Categorically Eligible Low-Income Adults” and “Expansion Adults to 68%” were combined into one category called “MAGI Parents/Caretakers to 68% FPL.”
- “Expansion Adults to 133% FPL” is now titled “MAGI Parents/Caretakers 69%-133% FPL”
- On January 1, 2013, Colorado implemented SB 11-008 and SB 11-250 which expanded Medicaid Eligible Children to 133% FPL (142% FPL with MAGI disregards after October 2013) for all ages and expanded Baby-Care Adults to 185% FPL (195% FPL with MAGI disregards after October 2013). The incremental increase in eligibility receives an enhanced match equal to the CHP+ FMAP. Eligible Children and Baby-Care Adults are now separated into two categories each; MAGI Eligible Children and SB 11-008 Eligible Children, and MAGI Pregnant Adults and SB 11-250 Eligible Pregnant Adults.

Adults 65 and Older (OAP-A)	Disabled Adults 60 to 64 (OAP-B)	Disabled Individuals to 59 (AND/AB)	Disabled Buy-In	Categorically Eligible Low-Income Adults (AFDC-A)	Expansion Adults to 68% FPL	Expansion Adults to 133% FPL	Adults Without Dependent Children (AwDC)	Breast & Cervical Cancer Program	Eligible Children (AFDC-C/BC)	Foster Care	Baby Care Program-Adults	Non-Citizens	Partial Dual Eligibles	
Adults 65 and Older (OAP-A)	Disabled Adults 60 to 64 (OAP-B)	Disabled Individuals to 59 (AND/AB)	Working Adults & Children with Disabilities – Buy-In	MAGI Parents/ Caretakers to 68% FPL	MAGI Parents/ Caretakers 69%-133% FPL	MAGI Adults	Breast & Cervical Cancer Program	MAGI Eligible Children	SB 11-008 Eligible Children	Foster Care	MAGI Pregnant Adults	SB 11-250 Eligible Pregnant Adults	Non-Citizens	Partial Dual Eligibles

MEDICAID CASELOAD

INTRODUCTION

Biannually, the Department submits its estimated funding need for the Medical Services Premiums line item. The first step in generating the November and February submissions is to project the Medicaid caseload. Medicaid caseload does not represent the number of uninsured individuals in Colorado, nor does it represent the number of Colorado residents living in poverty. Caseload figures only represent individuals that the Department expects will enroll in Medicaid because they meet specific eligibility requirements in one of three groups: 1) Families, Pregnant Women, and Children; 2) Aged and Disabled; or 3) Other.

Federal Medicaid statute defines over 50 groups of individuals that may qualify for Medicaid. Some groups are mandatory, while others are optional and each state decides which of the optional groups it will cover. From the inception of Medicaid in 1965 (Public Law 89-97) to the 1980s, the program was targeted at low-income families, the elderly, and the disabled. During the 1980s, Medicaid expanded to include pregnant women and children with greater income levels, as well as some optional elderly and disabled groups. In 2000, Medicaid coverage was extended to women with breast and cervical cancer. From the 1990s to the present, other Medicaid categories have been added through State-initiated waivers. All eligibility categories have specific income limits, and some have additional criteria such as age, resources or disability status. For budgetary purposes, the Department groups together clients with similar characteristics and costs. For example, clients grouped in the Eligible Children category have similar characteristics and costs but might have gained Medicaid eligibility through different criteria. Since each category of eligibility is affected by unique factors, the Department projects each category separately. Projecting an aggregate caseload would be easier but could be less precise.

Historic caseload data are used in conjunction with economic data to project caseload in each category. To make a projection, the Department uses several different statistical techniques (as described in the Forecast Models section) and chooses the projection that best fits the data. After projections are chosen for each category, the Department presents its recommendations to the Office of State Planning and Budgeting (OSPB). The Department then meets with OSPB, and the two agencies agree on an Executive caseload proposal. It is important to note that the methodology the Department used to generate its projections is not wholly reflected by the Executive caseload proposal presented in this document, since those figures are often the result of compromises with OSPB.

In 2003, the process of projecting the Medicaid caseload was drastically affected by SB 03-196, which mandated that the Department transition from accrual to cash-based accounting. From that point forward, caseload numbers no longer incorporated retroactivity. Retroactivity caused historical adjustments to caseload to account for clients who were found to be eligible for Medicaid for past months, thus increasing the count of persons eligible for Medicaid. Since most clients are eligible back to the date of their application, retroactivity adjustments assured that all months were accounted for. However, this caused variability in the caseload reports, as monthly caseload was adjusted for months, even years, after the month had ended. It also required special manually run reports to make these adjustments. Under the cash accounting system, a monthly caseload report is created from the Medicaid Management Information System (MMIS) and that caseload is considered final.

If the Department had only applied the accounting conversion to the FY 2003-04 caseload projection, this would have produced an artificial drop in caseload relative to the prior year when retroactivity was still applicable. To control for this manufactured decrease in caseload, and to develop a more accurate portrayal of history, the Department recreated 10 years of Medicaid caseload history without retroactivity. By rebuilding the caseload without retroactivity, the Department was able to put the FY 2003-04 projection in perspective and test the historical data for accuracy. Medicaid eligibility,

retroactive back to the date of application, is still in effect; however, it is no longer reported in caseload. For a complete explanation of how the historical data was rebuilt and tested, refer to the November 3, 2003 Budget Request, pages K-98 and K-99.

Through June 2008, the Department utilized the REX01/COLD (MARS) R-464600 report for caseload levels, which is a standard report from the MMIS. Eligibility information included in MMIS is fluid and is updated from the Colorado Benefits Management System on a daily basis. This report is run on the Friday before the last Tuesday of every month and does not incorporate eligibility changes that occurred between the run date and the last day of the given month. In addition, the report is a one-time snapshot and cannot be replicated in the future because of the dynamic nature of eligibility. The limitations of this report prevent the Department from analyzing caseload by characteristics other than eligibility types such as gender, county of residence, or age.

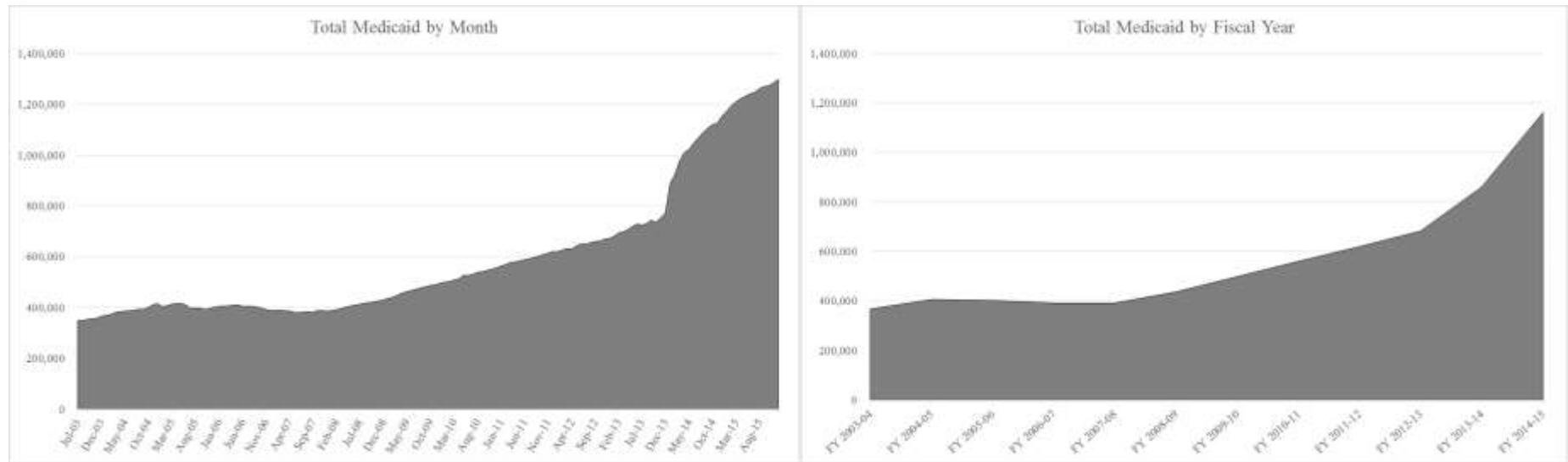
The Department has developed a new caseload report that it believes measures caseload more accurately: the REX01/COLD (MARS) R-474701. This report captures eligibility movements for the entire month in question and also stores the data table that underlies the report. As a result, the Department is able to analyze caseload by many other demographic and geographic characteristics while still balancing to the official Medicaid caseload. The Department began to use this new caseload report with the July 2008 caseload report to the Joint Budget Committee. Because of the differences between the methodologies used in the original and new caseload reports, the Department restated historical Medicaid caseload through FY 2002-03. All caseload history and forecasts included in the following narrative, as well as the Medical Services Premiums and Medicaid Mental Health projections, are the official restated caseload.

In addition to estimating the funding need for the Medical Services Premiums line item, Medicaid caseload is used to determine the funding need for the Medicaid Mental Health Community Programs. Comprehensive mental health services are available to eligible Medicaid clients. Thus, the Medicaid Mental Health caseload is the Medicaid caseload less Partial Dual Eligibles and Non-Citizens, which are not eligible for full Medicaid benefits. The following table displays a comparison of historical caseloads in Medicaid Medical Services Premiums and Mental Health.

Fiscal Year	Medical Services Premiums Caseload	Less: Mental Health Ineligible Categories	Mental Health Caseload
FY 2002-03	331,800	(13,072)	318,728
FY 2003-04	367,559	(14,635)	352,924
FY 2004-05	406,024	(14,755)	391,269
FY 2005-06	402,218	(17,304)	384,914
FY 2006-07	392,228	(18,109)	374,119
FY 2007-08	391,962	(18,405)	373,557
FY 2008-09	436,812	(19,062)	417,750
FY 2009-10	498,797	(19,612)	479,185
FY 2010-11	560,759	(20,303)	540,456
FY 2011-12	619,963	(21,641)	598,322
FY 2012-13	682,994	(23,890)	659,104
FY 2013-14	860,957	(25,859)	835,098
FY 2014-15	1,161,206	(30,767)	1,130,439

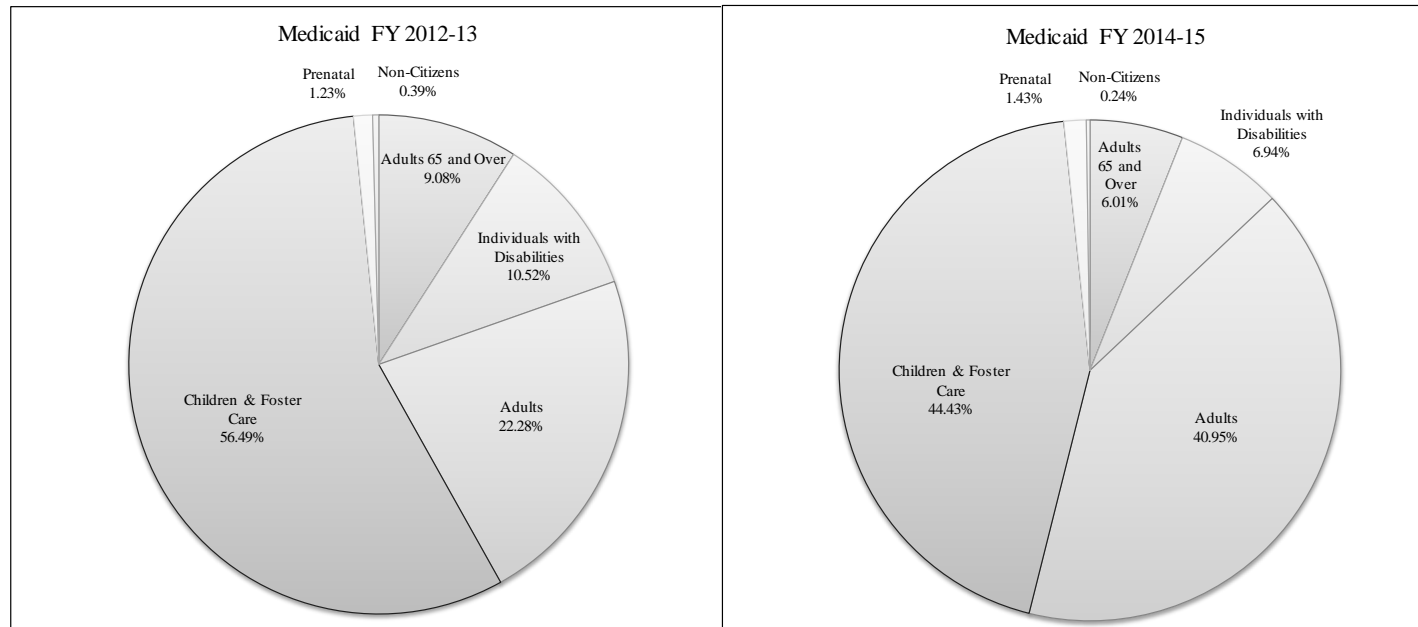
Recent Caseload History*Total Medicaid Caseload*

Exhibit B tabulates actual caseload figures and growth rates by eligibility category from FY 1996-97 to FY 2014-15. Projections for FY 2015-16 through FY 2017-18 are also presented in the table and will be discussed in the Categorical Projections section of this document. A graphical representation of aggregate Medicaid caseload history from FY 2003-04 is shown below. Total Medicaid caseload had an average yearly growth of 11.76% over the 5 years preceding FY 2013-14. As can be seen in the graph below, Medicaid expansion began in January 2014. The average monthly caseload for total Medicaid in FY 2013-14 increased by 26.06% from FY 2012-13. Overall, the caseload growth that is attributable to Medicaid expansion has been much greater than projected in November 2015.



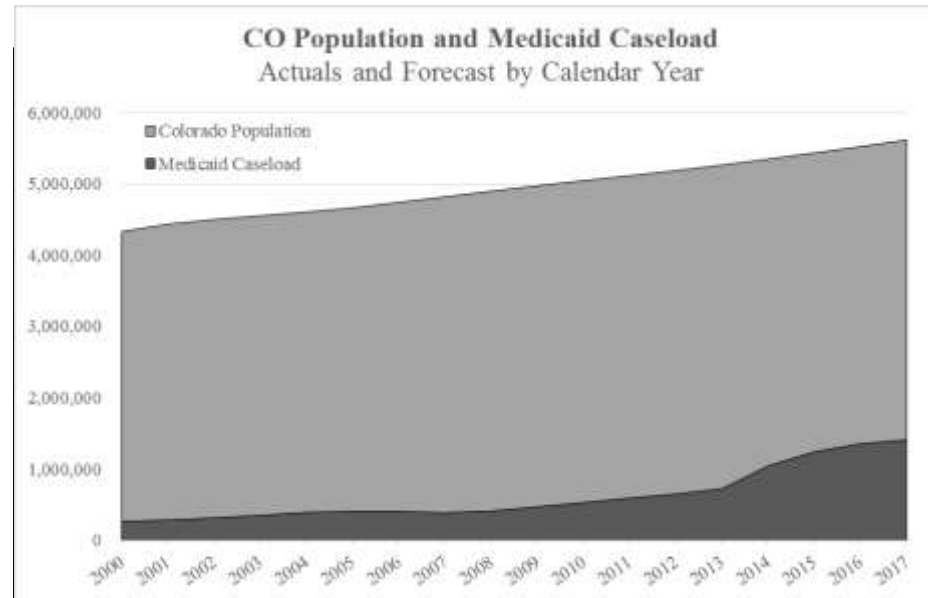
Composition of Medicaid Caseload

Medicaid Expansion resulted in significant changes in the composition of Medicaid caseload, mainly for Medicaid Adults. The following charts show a side-by-side comparison of the Medicaid caseload by category as a percentage of the overall caseload for FY 2012-13 (pre-expansion) and FY 2014-15 (post-expansion). Medicaid adults have increased their share of caseload by more than eighteen percentage points, an increase attributable to lifting the enrollment cap in MAGI Adults and expanding eligibility for adults to 133% FPL. Children and Foster Care has lost more than twelve percentage points and is now less than half of the composition of Medicaid. Adults ages 65 and Over and Individuals with Disabilities have also lost a portion of their share. These declines in the proportion of caseload are not due to declines in the individual eligibilities themselves, rather they are due to the large increase in Medicaid Adults.



Medicaid caseload trends are influenced by a number of factors including: population trends, in-State migration, age of the population, length of stay, economic conditions, and State and federal policy changes. Projecting annual caseload is complicated by the fact that each of these factors can contribute to categorical changes, some of which may be contradictory. For example, the State may enact legislation that removes clients from a Medicaid category who are aged 65 and older, while the population of adults aged 65 and older is increasing. Therefore, projections represent the *net effect* of what the Department expects will happen. Each factor and its expected impact on the Medicaid caseload are discussed below.

Population - Colorado's total population is estimated to have increased 6.5% from 2010 to 2014, while the population increase for the total US was 3.3%¹. The Department of Local Affairs forecasts that Colorado's population will increase a further 5.19% from 2014 to 2017². As the overall population has grown, so too has Medicaid caseload. This positive correlation implies that if population is projected to grow in the future, Medicaid caseload may also increase. The graph below shows the Department of Local Affairs forecast for Colorado's population with the Department's Medicaid Caseload forecast by calendar year.



When using population data to project caseload, the Department marries population subgroups to their appropriate Medicaid category. For example, when projecting caseload for MAGI Eligible Children, the Department uses population statistics for Colorado residents aged 0 to 18. By using subgroups instead of total population figures, the Department is able to capture subgroup specific trends.

In-State Migration - Like population, in-state migration is positively correlated with Medicaid caseload. As discussed above, Colorado's population from 2010 to 2014 grew at a faster rate than the population of the US. As more individuals move to Colorado from other states, Medicaid caseloads will increase. During economic downturns, people usually move from states with worse economic conditions to states with better conditions in search of jobs. Although Colorado experienced economic conditions in line with the overall conditions in the United States during the recent recession, net migration remained positive in 2010 at approximately 70,000³. An increase of 70,000 persons in a population of over 5.1 million may not be significant, but a positive migration rate means more people who could conceivably be eligible for Medicaid. According to 2010 estimates from the Census Bureau,

¹ <http://quickfacts.census.gov/qfd/states/08000.html>

² Source: Department of Local Affairs, Demography Division;
<http://www.colorado.gov/cs/Satellite?c=Page&childpage=DOLA-Main%2FCBONLayout&cid=1251593346834&pagename=CBONWrapper>

³ Source: Department of Local Affairs, Demography Division;
 Page MC-8

Colorado experienced the sixth highest migration rate in the United States.⁴ Conversely, as the economy recovers, in-state migration is expected to increase. Net migration grew to an estimated 52,346 in 2006, overtaking natural increase (births minus deaths) as the major component of population growth. Though in-state migration is projected to decrease over the forecast period, the number of individuals moving into the state is expected to remain positive, buoyed by rates of unemployment and housing value deflation that are lower than the national average.

Age - The age of the population can provide some insight as to why Medicaid caseloads have been increasing. As the population ages, so too does the demand for medical care. Generally, as individuals age, their health becomes more fragile and they are more likely to seek health care. From 2002 to 2012, Colorado's median age increased by 1.9 years, a 5.4% increase⁵. This may be the result of retirees moving to the State, increased longevity, or fewer births. Regardless of the reason, an aging population has a direct effect on the demand for medical services, though not necessarily Medicaid. According to data from the United States Census Bureau, Colorado had the 10th lowest median age in 2010 and the 4th lowest old-age dependency ratio in 2009 (defined as the population 65 and older as a percent of population 18 to 64) in the nation.⁶ The population over 60 in Colorado has increased by 59.55% between 2002 and 2013, which is expected to cause an increase in the State's median age. Additionally, Colorado's old-age dependency ratio is projected to increase from 15.6 in 2000 to 24.6 in 2020, a 57.2% increase.⁷ This growth is significantly higher than the national average, which is projected to increase by 34.8% over the same timeframe. This suggests that Colorado will be aging faster than the average state over the forecast period. Since 2009, Colorado has experienced increases in the eligibility categories that include older individuals, though the growth was not as high as population growth in the general population aged 60 and over. This may be the result of a healthier aging population and demographic factors, such as the elderly population working longer and some of the baby-boom generation not yet reaching retirement age. Below is a chart comparing population by age group for Colorado and the United States. The next page shows the population pyramid from the 2010 Census Summary.

Population by Age Group: 2010										
	Total Population	Under 18 years		18 to 44 Years		45 to 64 Years		65 Years and Over		Median Age
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	
United States	308,745,538	74,181,467	24.0%	112,806,642	36.5%	81,489,445	26.4%	40,267,984	13.0%	37.2
Colorado	5,029,196	1,225,609	24.4%	1,913,620	38.1%	1,340,342	26.7%	549,625	10.9%	36.1

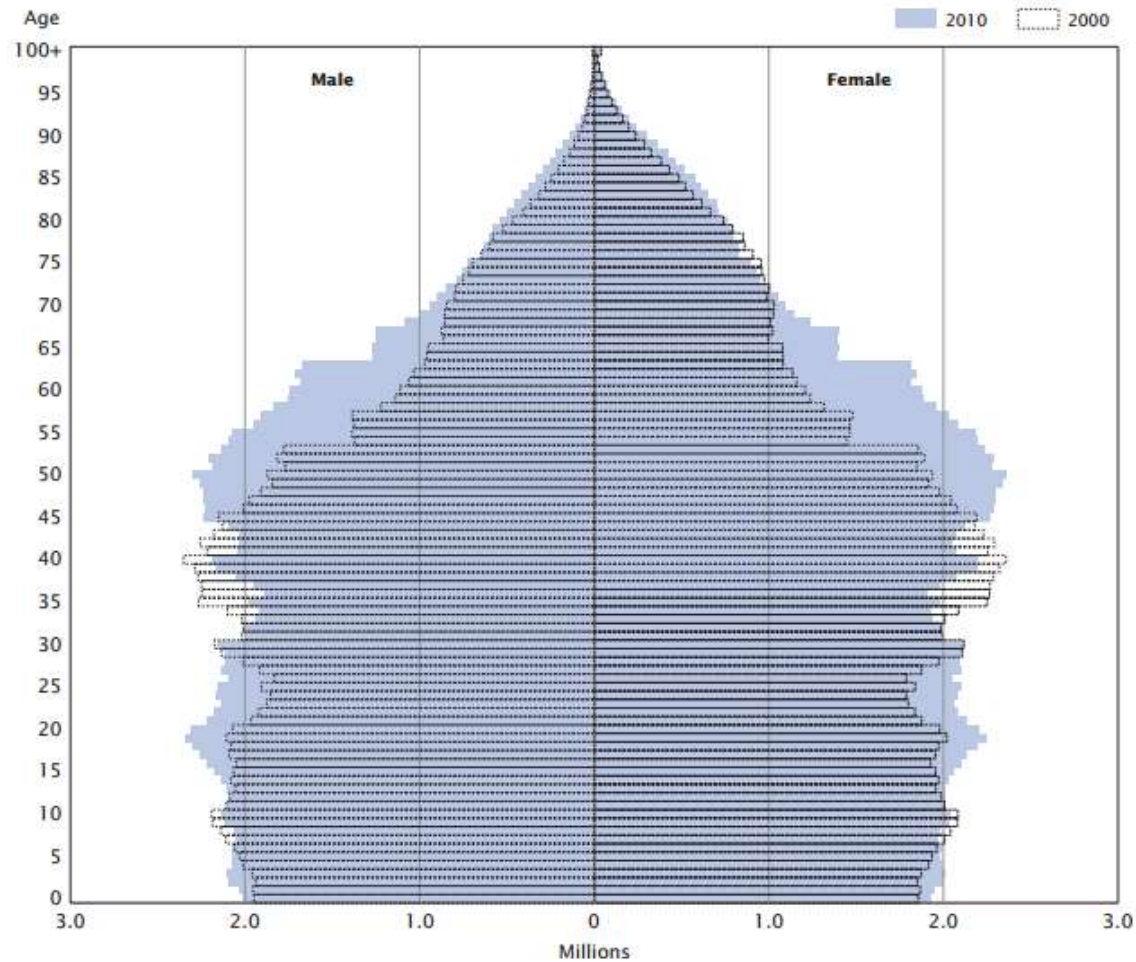
⁴ Source: 2010 American Community Survey <http://www.census.gov/acs/www/>

⁵ Source: Department of Local Affairs, Demography Division

⁶ Source: 2010 American Community Survey <http://www.census.gov/acs/www/>

⁷ Source: U.S. Census Bureau, Population Division, Interim State Population Projections, 2005 <http://www.census.gov/population/www/projections/index.html>

Figure 2.
Population by Age and Sex: 2000 and 2010
 (For information on confidentiality protection, nonsampling error, and definitions, see www.census.gov/prod/cen2010/doc/sf1.pdf)



Sources: U.S. Census Bureau, *Census 2000 Summary File 1* and *2010 Census Summary File 1*.

Length of Stay- Medicaid caseload is not only affected by the number of individuals served but also the length of time they remain in the program. The calculation used in the past for length of stay only considered enrollment in a given year in isolation, and did not account for clients that have eligibility that overlaps multiple fiscal years due to the timing of their eligibility determination. The Department has refined this analysis to account for the clients with a length of stay lasting longer than a fiscal year to provide a more accurate picture of the amount of time that individuals are enrolled in Medicaid. The table below shows the average length of stay in months, as well as the percent of clients that stay on Medicaid for longer than one year. The calculation for FY 2013-14 (shaded) may not be complete due to run-out and these averages could increase as more data is accrued. For FY 2010-11 through FY 2012-13, MAGI Parents/Caretakers have an average length of stay around 14 months and MAGI Eligible Children have an average of about 17 months. The Department expects length of stay to increase for MAGI Eligible Children after the implementation of continuous eligibility in March 2014. The Department also expects length of stay to increase for Foster Care now that the maximum age has been increased from 21 to 26.

Average Length of Stay in Months by Eligibility														
		Adults 65 and Older	Disabled Adults 60 to 64	Disabled Individuals to 59	Disabled Buy-In	MAGI Parents/ Caretakers to 68% FPL	MAGI Parents/ Caretakers to 133% FPL	MAGI Adults	Breast and Cervical Cancer Program	Eligible Children	Foster Care	Baby Care Program Adults	Non- Citizens	Partial Dual- Eligibles
FY 2009-10	Avg LOS Mo's	58.38	56.98	71.02	-	15.68	11.47	-	33.52	20.28	46.36	10.12	6.67	50.93
	% > 12 Mo's	91.00%	89.60%	93.05%	-	51.08%	36.12%	-	80.10%	72.42%	86.00%	19.41%	1.42%	90.65%
FY 2010-11	Avg LOS Mo's	54.82	50.16	66.28	-	14.08	12.31	-	32.44	16.63	43.91	10.49	6.57	47.04
	% > 12 Mo's	90.82%	90.52%	93.20%	-	53.18%	48.42%	-	81.99%	67.07%	87.18%	25.16%	1.51%	89.86%
FY 2011-12	Avg LOS Mo's	51.03	44.97	61.25	13.52	14.45	13.90	10.11	30.99	17.76	42.67	10.66	6.38	42.71
	% > 12 Mo's	90.93%	90.11%	93.11%	32.61%	58.37%	62.77%	39.27%	83.96%	76.42%	88.94%	27.06%	1.35%	90.40%
FY 2012-13	Avg LOS Mo's	43.32	35.46	55.11	12.78	13.90	12.50	9.28	25.99	16.62	37.29	9.07	5.84	34.46
	% > 12 Mo's	86.05%	86.40%	90.21%	30.65%	53.55%	48.93%	32.93%	70.65%	68.90%	90.21%	16.16%	0.92%	78.52%
FY 2013-14	Avg LOS Mo's	35.28	33.14	45.31	15.94	15.78	6.95	9.86	29.02	17.84	35.91	10.29	5.74	32.28
	% > 12 Mo's	85.48%	86.30%	90.68%	47.09%	63.63%	12.00%	19.45%	75.08%	72.47%	88.48%	24.44%	0.76%	82.42%

Economic Conditions - Economic indicators partially explain why some Medicaid caseload trends occur. Since Medicaid is a needs-based program where clients must meet income limits, it follows that caseload for families and children should be countercyclical to economic conditions. For example, as the state experiences recessionary conditions, the Medicaid caseload will increase. After the recession that ended in the early 1990s, Colorado enjoyed almost ten years of economic expansion. The terror attacks on the United States in 2001 combined with the bursting of the stock

market bubble in late 2000 brought that expansion to a halt. For the first time in more than a decade, Colorado experienced significant job losses coupled with falling wages. In mid-2003, the Colorado economy hit bottom after the decline that started in early 2001. Due to seasonal fluctuations and wide confidence intervals for over the month changes, employment data is best analyzed by comparing the same month for different years. The first post-recession over-the-year gain in non-agricultural employment occurred in March of 2004. The State officially entered an expansionary period in early 2006, as employment surpassed the late 2000 peak. The recovery period lasted 30 months, one of the longest on record. Employment began to soften in October 2008, when 4,600 jobs were shed over the year. The State experienced over-the-year job losses for two years and the annual contractions appear to have peaked in September 2009, when job losses numbered 128,400 (5.5%) over the year. The State has seen very moderate over-the-year employment increases as of September 2010. As of December 2012, the over-the-year jobs gain was estimated to be 51,300, or 2.26%⁸. The unemployment rate for the US in 2013 was estimated at 7.4%⁹ while Colorado's unemployment rate for the same year was 6.8%.

The table that follows shows historical and projected (shaded) wage and salary income, non-agricultural employment, and unemployment rates.¹⁰

Year	Wage and Salary Income (billions)	Non-Agricultural Employment	Unemployment Rate
2007	\$ 112.5	2,331,300	3.8%
2008	\$ 116.7	2,350,300	4.8%
2009	\$ 112.3	2,245,600	8.1%
2010	\$ 113.8	2,222,300	8.7%
2011	\$ 118.6	2,258,600	8.3%
2012	\$ 125.1	2,313,000	7.8%
2013	\$ 139.36	2,381,900	6.8%
2014	\$ 137.7	2,464,700	5.0%
2015	\$ 144.9	2,533,700	4.3%
2016	\$ 153.3	2,607,200	4.3%
2017	\$162.6	2,680,200	4.2%

The timing of an economic cycle is important in estimating the impact on the Medicaid caseload, excluding elderly eligibilities and clients with disabilities. As the economy recovers from a downturn, workers need to find jobs in order to withdraw from the Medicaid rolls. Jobs that primarily affect family and children Medicaid populations are hourly and concentrated in the service industry. These employment types are often the last to benefit from improving economic conditions. Therefore, any economic impact on the Medicaid caseload will have a lagged effect. Second, as workers find jobs they do not instantaneously lose their Medicaid eligibility. Since 1990, states have been federally required to provide Transitional Medical Assistance (known as Transitional Medicaid) benefits for up to one year to families who lost eligibility because of increased income due to employment. This policy was directed at clients who potentially might turn down employment for fear of losing their Medicaid benefits. To be eligible for Transitional Medicaid, a client must have been eligible in at least three of the preceding six months, though states may elect to reduce this requirement

⁸ Source: United States Department of Labor, Bureau of Labor Statistics, Current Employment Statistics <http://www.bls.gov/data/>

⁹ Source: <http://www.bls.gov/cps/>

¹⁰ Source: Office of State Planning and Budgeting, September 2015 Economic and Fiscal Review, page 54

to fewer than three months. Clients may receive Transitional Medicaid as long as their income is below 185% of the federal poverty level, provided that the proper income reporting requirements are followed. Another small group of clients are eligible for Transitional Medicaid services that would otherwise lose their Medicaid benefits due to child or spousal support payments. Families in this group receive a four-month extension. In the past, this program has been set to expire many times. With the passage of H.R.2 “Medicare Access and CHIP Reauthorization Act of 2015 on April 16, 2015, transitional Medicaid was made permanent. As illustrated in the following table, the average number of adults and children on Transitional Medicaid increased dramatically in FY 2004-05. The Department suspects that the high growth in FY 2004-05 and FY 2005-06 may be partially related to large monthly increases that occurred around the implementation of the Colorado Benefits Management System. Monthly caseload declined between December 2005 and June 2008, but caseload increased throughout FY 2008-09 and FY 2009-10. Transitional Medicaid increased again in FY 2013-14 and FY 2014-15 for adults, which is likely due to both expansion and an improving economy.

While the economy is projected to continue improving, the Department does not anticipate declines in caseload. The Affordable Care Act expands State-provided medical coverage, implements an insurance mandate, and changes the way poverty levels are measured (MAGI conversion). Despite the improving economy, these policy changes are resulting in aggressive caseload growth. As discussed above, many of the expansion groups in Medicaid caseload grew much faster than originally predicted. More details will be presented in the Categorical Projections section. The improving economy is better demonstrated in the average monthly caseload that is on Transitional Medicaid, see the chart on the next page.

The Department implemented two changes that affected Transitional Medicaid in FY 2009-10. First, section 5004 of the American Recovery and Reinvestment Act of 2009 (ARRA) included options for states to modify eligibility for Transitional Medicaid, including waiving the requirement that the family was eligible for Medicaid in at least three of the preceding six months and extending families’ eligibility to 12 months, rather than six months followed by a second six-month period that is dependent upon reporting, income, and technical eligibility requirements. Colorado elected the option to provide 12 months of Transitional Medicaid coverage, which was effective October 1, 2010. Finding #58a of the State of Colorado Statewide Single Audit for the Fiscal Year ending June 30, 2009 stated that the Department should address an issue in the Colorado Benefits Management System that prevented the prompt termination of Transitional Medicaid benefits if the proper reporting, income, and technical eligibility requirements were not met. The Department’s response indicated that it was researching whether it would be more efficient for both county eligibility staff and clients, as well as from a fiscal standpoint, to grant 12 months of Transitional Medicaid eligibility with no reporting requirements. The Department determined that this was indeed more efficient and decided in 2010 to go forward with this option. Second, when the Department implemented the eligibility expansion for Medicaid Parents/Caretakers to 100% of the federal poverty level, the Department made modifications to the Colorado Benefits Management System to increase eligibility for all Family Medicaid clients to 100% of the federal poverty level. Previously, the Expansion Adults to 60% of the federal poverty level (FPL) group had its own eligibility requirements within Family Medicaid, which the Centers for Medicare and Medicaid Services indicated to the Department was incorrect. This change leads to income eligibility for Transitional Medicaid spanning 101% to 185% FPL, rather than the Aid to Families with Dependent Children (AFDC) level, which is currently approximately 26% FPL, through 185% FPL. This change will result in a lower Transitional Medicaid caseload beginning in May 2010. However, Transitional Medicaid caseload has steadily increased since this level shift, as is reflected in the table below. The number of adults on Transitional Medicaid nearly doubled in FY 2013-14. The Department believes this is due to the MAGI conversion and the mass update that was completed in March 2014. The MAGI conversion was implemented in October 2013 and changed the income determination for certain populations, including parents/caretakers. The Department ran a systems update in March 2014 to redetermine all clients under the MAGI rules. As clients income level changed with the new MAGI determination, many parents/caretakers experienced an increase in measured income and were then identified as eligible for transitional Medicaid. This similar increase was not identified in children’s categories because of the implementation of continuous eligibility for children.

Fiscal Year	Average Number of Eligible Children on Transitional Medicaid	Average Number of Parents/ Caretakers on Transitional Medicaid
FY 2002-03	7,645	4,689
FY 2003-04	7,349	4,709
FY 2004-05	10,776	6,586
FY 2005-06	16,749	10,745
FY 2006-07	16,065	9,968
FY 2007-08	13,000	7,778
FY 2008-09	13,489	7,905
FY 2009-10	13,582	8,099
FY 2010-11	11,042	6,173
FY 2011-12	21,311	11,171
FY 2012-13	16,544	8,643
FY 2013-14	16,335	16,668
FY 2014-15	4,969	34,001

Policy Changes - State and federal policy decisions can alter the Medicaid caseload. The following list briefly describes major State and federal policy changes that have affected Medicaid eligibility and, therefore, caseload. This list is not meant to be comprehensive in nature but a summary of major changes affecting eligibility since 2000.

- Breast and Cervical Cancer Prevention and Treatment Act of 2000, Public Law 106-354: Established a new group of eligibility for women under 65 who have been screened under the Centers for Disease Control and Prevention Board and need treatment for either diagnosis. Colorado implemented this optional eligibility group in July 2002 pursuant to SB 01S2-012.
- Medicare Prescription Drug, Improvement, and Modernization Act of 2003: This act causes more potential beneficiaries to be screened for Medicaid when they apply for this Medicare benefit.
- Presumptive eligibility for Medicaid pregnant women was discontinued on September 1, 2004. It was re-established by HB 05-1262 on July 1, 2005.
- HB 05-1262, the Tobacco Tax bill: This bill provided funding for the removal of the Medicaid asset test, the expansion of the income guideline used to establish eligibility for parents of children eligible for either Medicaid or the Children's Basic Health Plan to 60% of the federal poverty level (known as Expansion Adults to 60% FPL), and to expand the number of children enrolled in the Home- and Community-Based Services and the Children's Extensive Support Waiver.
- Deficit Reduction Act of 2005: This Act contained provisions related to premiums and cost sharing, benefits, and asset transfers that will have implications for Medicaid beneficiaries. In addition, the Deficit Reduction Act contained a provision requiring States to obtain satisfactory documentary evidence of citizenship and identity for all Medicaid applicants who have declared that they are citizens or nationals of the United States, with exemptions for individuals that are eligible for Medicaid and entitled to or enrolled in Medicare and those eligible for Medicaid by virtue of receiving Supplemental Security Income benefits.
- SB 07-211: Established presumptive eligibility for Medicaid children.

- HB 09-1293: The Colorado Health Care Affordability Act of 2009, authorizes the Department to collect hospital provider fees for the purpose of obtaining federal financial participation for the State's medical assistance programs and using the combined funds to: 1) increase reimbursement to hospitals for providing medical care under the medical assistance program and the Colorado Indigent Care Program; 2) increase the number of persons covered by public medical assistance; and 3) pay the administrative costs to the Department in implementing and administering the program. Populations that receive Hospital Provider Fee funding are disabled buy-in, adults without dependent children, and expansion adults 60%-133%. HB 09-1293 also established continuous eligibility for twelve months for children in Medicaid.
- HB 09-1353: Expands Medicaid eligibility to pregnant women who are legal permanent residents that have been in the country for less than 5 years.
- SB 11-008: Increases Medicaid eligibility for children from 6 through 18 years of age to 133% FPL beginning in January 2013 (142% FPL after MAGI disregards in October 2013). These clients are identified separately in the JBC monthly report and in the caseload forecast. They are the clients that are Medicaid eligible children between the ages of 6 and 18, FPL within 108% and 142%, and have no other insurance. These clients receive the CHP+ enhanced Federal match.
- SB 11-250: Increases Medicaid eligibility for pregnant women from 142% FPL to 185% FPL beginning in January 2013 (195% FPL after MAGI disregards in October 2013). These clients are identified separately in the JBC monthly report and in the caseload forecast. They are the clients that are Medicaid eligible pregnant adults that are within 142% FPL and 195% FPL and have no other insurance. These clients receive the CHP+ enhanced Federal match.
- SB 13-200: Increases Medicaid eligibility for expansion adults from 100% FPL to 133% FPL and lifts the enrollment cap on MAGI Adults.
- Continuous eligibility for Medicaid Eligible Children and CHP+ Children was implemented March 2014. Clients on Medicaid or CHP+ that are determined over the income threshold will have an additional 12 months of eligibility before losing benefits. This reduces churn between Medicaid and CHP+ as well as the client's ability to maintain continuous medical coverage as they churn from Medicaid or CHP+ into the Marketplace. This change results in an increased length of stay for MAGI Eligible Children and SB 11-008 Eligible Children.
- HB 14-1045: Extends funding for the Breast and Cervical Cancer Program through FY 2018-19.
- HB 14-1252: Increases the system capacity for home- and community-based intellectual and developmental disabilities programs, services, and supports.

Oftentimes, a forecast cannot instantaneously incorporate policy changes even with the use of dummy or indicator variables. When this occurs, adjustments are made to the forecast off-line. Detailed accountings of off-line adjustments are in Exhibit B, page EB-2.

Under Medicaid regulations before January 2014, the rules for counting income vary from state to state and also differ based on the category through which an individual is eligible for the program. For example, Medicaid allows applicants to disregard some child support payments and the first \$90 of earned income, and to deduct certain childcare expenses from income when determining eligibility for benefits. States also have the flexibility to disregard additional income and deduct other expenses, and a number of states have used this authority to expand Medicaid eligibility. States' use of deductions and income disregards has the effect of increasing income eligibility standards for many families, but they also have resulted in a somewhat more complex application and renewal process. This process is exacerbated by different income and household counting rules for federal CHIP programs, which often do not align with Medicaid rules. Pursuant to the federal Affordable Care Act (ACA), eligibility for Family Medicaid, CHIP and premium subsidies to purchase coverage in health insurance exchanges (the Colorado Health Benefit Exchange, or COHBE, in Colorado) will be determined using the Modified Adjusted Gross Income (MAGI) beginning January 1, 2014. MAGI is Adjusted Gross Income as determined under the federal income tax, plus various income amounts and adjustments, and is calculated for the household, defined as the tax filing unit. The family's

assets will not be considered in determining eligibility, and a standard 5% of the federal poverty level disregard will be applied. The new rules also change how family size is calculated and how household income is defined. Previously under Medicaid and CHIP programs, states take different approaches to determining family size and which family members' income to count depending on who in the family is applying for benefits. Under the new rules, however, family size and household income will be based on the tax filing unit. All individuals claimed as a dependent on a taxpayer's return will be included in determining that taxpayer's family size. These new income eligibility rules generally will apply to all children (except foster children) who qualify for Medicaid and to all adults under age 65. The health reform law does not change Medicaid eligibility rules for beneficiaries who are 65 or older or those in eligibility categories based on disability, though those who qualify for Medicaid as a disabled individual may be determined with the new income eligibility rules temporarily until their disability determination has been completed.

The transition to MAGI resulted in standardization of the definition and measurement of income, both across states and programs. This resulted in streamlined eligibility determinations that are based solely on national tax filing standards rather than disparate methodologies. For example, in Colorado, Medicaid applied a mandatory minimum disregard to earnings, whereas CHP+ did not, and CHP+ disregards any income earned by a child in the household, whereas Medicaid may count the child's income depending on the family circumstance.

In addition, Medicaid and CHP+ defined the family unit differently. For Medicaid, the "family" was determined more like the "nuclear" approach. This would include a spouse, parents, and any dependent children in the home. For CHP+, the "family" was defined as all related family members in the household that receive at least 50% of their financial support from the household.

For example, take a family applying for coverage for a child in a household with a married couple, the dependent child, and a grandmother, and annual household income is \$25,000. Under the Medicaid rules prior to October 2013, the grandmother is not counted in the household; therefore, the household size is three and the FPL of the child is approximately 135%, making the family over-income for Medicaid eligibility. Under the CHP+ rules prior to October 2013, the grandmother is counted in the household; therefore, the household size is four and the FPL of the child is approximately 112% and is eligible for CHP+.

As can be seen in the example above, these factors lead to individuals enrolled in CHP+ that appear to meet Medicaid income eligibility. In FY 2011-12, approximately 43% of children enrolled in CHP+ had income below 133% FPL and 67% of pregnant women had income below 185% FPL. Under the streamlined income and household counting rules of MAGI, there should no longer be any clients in CHP+ with income below 133% FPL (142% FPL after MAGI disregards in October 2013) for children and 185% FPL (195% FPL after MAGI disregards in October 2013) for pregnant women, and clients should have transitioned from CHP+ to Medicaid. The Department included a bottom-line adjustment to reflect this change in the February 2014 forecast. The Department believes that the transition due to MAGI is complete and is no longer including this as a bottom line adjustment.

The transition to MAGI not only caused movement of clients from CHP+ to Medicaid, but also resulted in significant movement within the MAGI Parents/Caretakers eligibility groups in Medicaid. After the implementation of MAGI in October 2013, a large number of MAGI Parents/Caretakers 69% to 133% FPL moved to the lower FPL category MAGI Parents/Caretakers to 68% FPL. This is important as these categories have differing sources of state funding as well as federal medical assistance percentages (FMAP); the MAGI Parents/Caretakers to 68% FPL category is funded with General Fund and Tobacco Tax at the standard FMAP, whereas the MAGI Parents/Caretakers 69% to 133% FPL category is currently eligible for the enhanced FMAP under the federal Affordable Care Act (ACA). This shift is accounted for as a bottom line adjustment. There is a positive impact to the MAGI Parents/Caretakers to 68% FPL and a negative impact to the MAGI Parents/Caretakers 69% to 133% FPL. The sum of these two adjustments is equal to zero to show the net movement between the two categories. Such movement was included in the February 2014 forecast, but not of the same

magnitude. The Department was aware of the movement, but did not believe it was entirely accurate due to known issues with the available data. A systems fix was scheduled for March 2014 and the Department believed that the majority of the movement would revert after the systems fix went into place. Clients did not return to their original categories after March 2014. The Department included the full effect of this shifting between categories in the November 2014 forecast. This change resulted in a large increase to the forecast for MAGI Parents/Caretakers to 68% FPL. The Department believes that this is now complete and is no longer including this as a bottom line adjustment.

There is also an ACA-related adjustment to the Foster Care eligibility type. Pursuant to the ACA, eligibility for children enrolled in Medicaid that turned 21 while in foster care was increased to age 26 in January 2014. This expansion was mandatory and was not subject to the Supreme Court of the United States ruling which found the Medicaid expansion unconstitutionally coercive of states. The Department is including a bottom-line adjustment to account for the eligibility increase from age 21 to age 26 beginning January 1, 2014. The Department had predicted an average monthly growth in FY 2013-14 of 76 due to increasing the age from 21 to 26. By June 2015, the Department identified 1,709 clients in the Foster Care eligibility that were over age 21. The average monthly caseload in FY 2014-15 attributable to this expansion was 1,800. The Department has reduced the estimated bottom-line adjustment to align with the actual numbers seen in the second half of FY 2014-15.

Caseload decreased from FY 2004-05 through FY 2007-08, resulting in a decline of 14,062, or 3.46%, between these fiscal years. The Department believes that the improving economic conditions were the driving factor in this decrease, as consistent monthly declines occurred in MAGI Parents/Caretakers and MAGI Eligible Children, which are expected to be most affected by the economy. This trend reversed as of the second half of FY 2007-08, when the Eligible Children caseload started to show significant monthly increases. Strong increases continued in Medicaid in FY 2008-09, FY 2009-10, FY 2010-11, FY 2011-12, and FY 2012-13, with annual growth of 11.44%, 14.19%, 12.42%, 10.56%, and 10.17% respectively. With Medicaid expansion beginning in January 2014, the second half of FY 2013-14, caseload increased by 26.06% between FY 2012-13 and FY 2013-14 and 34.87% between FY 2013-14 and FY 2014-15. The Department is forecasting Medicaid caseload to continue to increase by 11.16% in FY 2015-16 to 1,290,844. In FY 2016-17 and FY 2017-18, the trends are projected to be 4.74% and 3.98% respectively. Medicaid caseload is expected to increase at a decreasing rate as the expansionary period comes to an end and the economy continues to improve. The following table shows actual and projected aggregate Medicaid caseload from FY 2004-05 through FY 2017-18.

Fiscal Year	Medicaid Caseload	Growth Rate	Level Growth
FY 2005-06	402,218	-0.94%	(3,806)
FY 2006-07	392,228	-2.48%	(9,990)
FY 2007-08	391,962	-0.07%	(266)
FY 2008-09	436,812	11.44%	44,850
FY 2009-10	498,797	14.19%	61,985
FY 2010-11	560,759	12.42%	61,962
FY 2011-12	619,963	10.56%	59,204
FY 2012-13	682,994	10.17%	63,031
FY 2013-14	860,957	26.06%	177,963
FY 2014-15	1,161,206	34.87%	300,249
FY 2015-16 Projection	1,290,844	11.16%	129,638
FY 2016-17 Projection	1,352,005	4.74%	61,161
FY 2017-18 Projection	1,405,780	3.98%	53,775

FORECAST MODELS

The Department's caseload projections utilize statistical forecasting methodologies to predict Medicaid caseload by eligibility category. Historical monthly caseload data from July 1993 to December 2015 and historical and forecasted economic data (revised in June 2015) and demographic data (revised in December 2014) are used. The following forecasting models are used in this forecast: trend and monthly seasonal dummy variables, ARIMA models, trend stationary, difference stationary, regression analysis with explanatory variables, and vector auto regression models. In the past, the software used by the Department for developing trend and regression forecasts was *Forecast Pro XE*. The Department is now using *EViews 6*.

Trend and Seasonality Model

Medicaid caseload is a non-stationary series with a positive trend and many of the categories experience some level of seasonality. One of the models used will incorporate a time trend and monthly seasonal dummy variables.

ARIMA Model

ARIMA models, also referred to as Box-Jenkins models, rely on the past behavior of the series being forecasted. Relying on the past behavior of a series mandates that a series be stationary. Most of the eligibilities in Medicaid caseload have a positive growth trend (non-stationary) and require differencing to be made stationary.

Trend Stationary and Difference Stationary

Series that are stationary have a constant mean, caseload series frequently do not have this characteristic and often have a trending mean. Two popular models used for non-stationary series with a trending mean are trend stationary and difference stationary. The trend stationary serves as an effective model if the series has a deterministic trend. The difference stationary model is useful when the trend be stochastic. Differencing the dependent variable gives a stationary series. The basic forms of the two models are listed below, where y is the dependent variable. Lags of the dependent variable are added to clear up serial correlation within the series.

- Trend Stationary: $\log(y) = c + \text{trend} + \varepsilon$
- Difference Stationary: $\text{differenced}(\log(y)) = c + \varepsilon$

Regression Models

Regression analysis, unlike trend analysis, incorporates independent variables when making projections. For example, a regression equation may include the unemployment rate if the forecaster expects that it has an effect on the caseload for MAGI Parents/Caretakers. Statistically, the forecaster can test whether or not there is a relationship between independent variables and the caseload by constructing a correlation matrix. Variables that are highly correlated with the caseload are more likely to be predictive. Regression equations are useful in that they provide some insight into why the trend projection is increasing, decreasing, or static. Although regression equations help explain why trends occur, their value depends on the quality of the independent variables used. In order to project caseload, historical and forecasted values of the independent variables must be used. Therefore, the accuracy of the caseload forecast depends on the accuracy of the forecasted independent variables. In December 2013, the Colorado Department of Local Affairs' Demography Division supplied actual and forecasted values of different populations by age. In June 2014, the Office of State Planning and Budgeting and the Colorado Department of Local Affairs' Demography Division supplied actual and forecasted values of the unemployment rate, which was used in the regression models.

Vector Auto Regression Models (VARs)

The Department has frequently used regression analysis to forecast caseload. Regression analysis, as described above, incorporates independent variables when making projections. Regression analysis has the unfortunate requirement that the independent variables used are exogenous to the dependent variable, or only allows the independent variable on the right-hand side of the equation to have an effect on the dependent variable on the left-hand side of the equation. This is unlikely in reality as most factors are interrelated and may affect each other simultaneously. Vector Auto Regression (VAR) models are simultaneous equations, allowing the different variables to affect each other equally. In other words, both variables are dependent and are able to change over time together in the forecast. The simultaneous process is better able to capture a long-term relationship between multiple variables and does not restrict one variable to the right hand side of the equation.¹¹ This can serve as a better reflection of reality rather than forcing the assumption that a variable is exogenous to Medicaid caseload.

Exponential Smoothing

For over 30 years, Exponential Smoothing models have been used to forecast data within a variety of applications. Considered simplistic, Exponential Smoothing models extract trend and seasonal patterns from a time-series to predict a future stream of values. There are two types of Exponential Smoothing models that address trend and seasonality in time-series data: Holt and Winters. The Holt Exponential Smoothing model adjusts for long-term linear trend in data, while the Winters Exponential Smoothing model adjusts for both trend and seasonal components of data. Both Holt and Winters use recursive equations to determine the estimated parameters of the model, giving more weight to recent observations and exponentially

¹¹ Sims, Chris "Macroeconomics and Reality." *Econometrica*. Volume. 48 No.1 (1980)

smaller weight to historically distant observations. One advantage of this model is that it produces robust results with limited data sets. This is very useful Medicaid eligibility categories that have not been in existence for very long. While the Department has used this model in the past, the November 2015 forecast does not utilize exponential smoothing.

Model Selection

After several different forecasts are produced, the Department normally chooses one for each category. Several statistics are produced to grade and compare the forecast models. The three statistics provided in the narrative are the Schwartz Info Criterion (SIC), Akaike Info Criterion (AIC), and the adjusted R^2 . The SIC and the AIC provide a means for model selection. Both statistics include a trade-off between the goodness of fit of the model and the complexity of the model by applying a penalty for using up degrees of freedom (adding independent variables). These measures encourage the use of simpler models. The closer the SIC or AIC are to negative infinity, the better the model. The adjusted R^2 measures the goodness of fit of the model in-sample, the closer the R^2 statistic is to one the better the goodness of fit. The calculation of the adjusted R^2 contains the most lenient penalty for using up the degrees of freedom in the model. It is important to note that this measure is not reliable when forecasting the differences of a series. When differencing a series to make it stationary, fitting a model becomes incredibly difficult and the R^2 value drops. This does not indicate a poor model, it is simply a result of differencing a series. For models where the dependent variable is differenced, the AIC and SIC prove much more useful for comparing different models than the R^2 . When selecting a model, the Department closely analyzes the historical data, possible future impacts like the predicted state of the economy, and the above mentioned statistics.

CATEGORICAL PROJECTIONS

This next section details the caseload projections by eligibility category. For each category, the following are presented: a discussion of the category, statutory authority, model results, rationale for the forecast, and historical caseload and forecasts. FY 2017-18 projections are included for informational purposes.

Adults Over 65 (OAP-A)

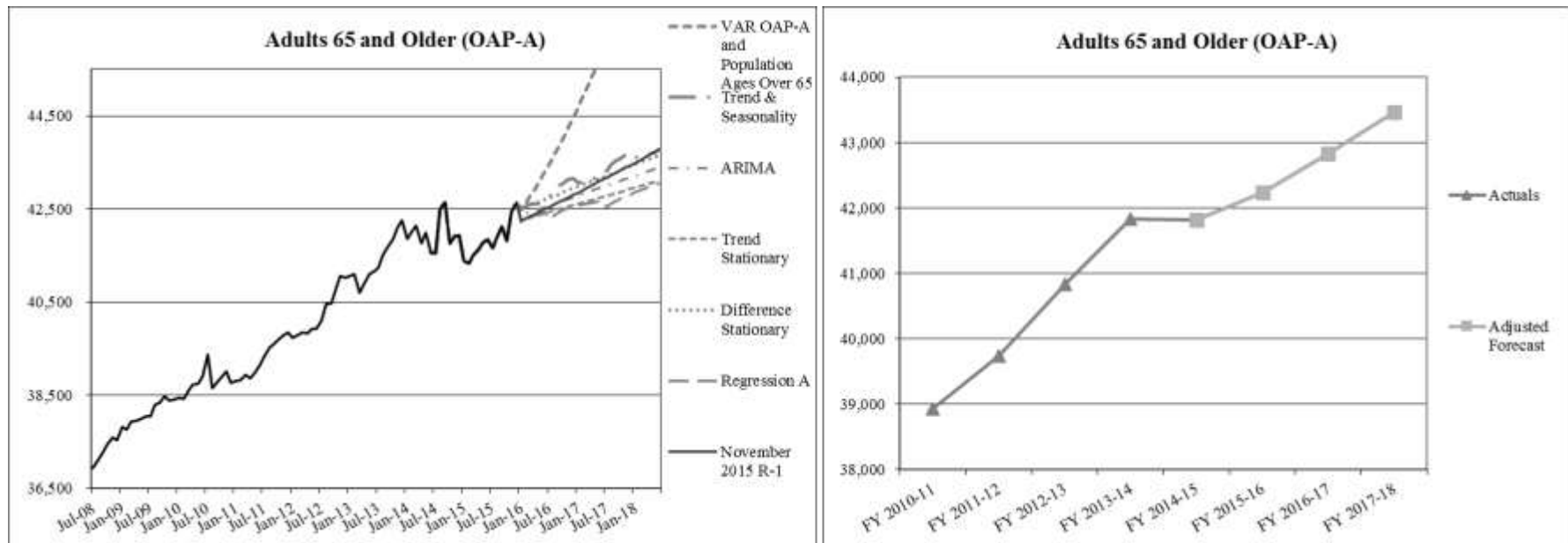
Colorado automatically provides Medicaid coverage to individuals who receive Supplemental Security Income. Supplemental Security Income, authorized under Title XVI of the Social Security Act of 1965, is a federal cash assistance program for persons aged 65 and older, blind, or disabled. An individual must have income below the federal monthly maximum Supplemental Security Income limit and limited resources. The Supplemental Security Income adults aged 65 and older are included in this category. Also included are individuals aged 65 and older who meet the Medicaid resource and income requirements, but are not receiving Supplemental Security Income. In addition, states may extend coverage to individuals with incomes above the Supplemental Security Income limit and who meet the nursing home level of care. Referred to as ‘Three-hundred Percenters’, these clients have incomes no more than three times the Supplemental Security Income maximum limit, and they meet the level of care to be in a nursing home.

25.5-5-101 (1), C.R.S.

- (f) Individuals receiving supplemental security income;*
- (g) Individuals receiving mandatory state supplement, including but not limited to individuals receiving old age pensions;*
- (h) Institutionalized individuals who were eligible for medical assistance in December 1973;*
- (i) Individuals who would be eligible except for the increase in old-age, survivors, and disability insurance under P.L. 92-336;*
- (j) Individuals who become ineligible for cash assistance as a result of old-age, survivors, and disability insurance cost-of-living increases after April 1977;*

25.5-5-201 (1), C.R.S.

- (b) Individuals who would be eligible for cash assistance except for their institutionalized status;*
- (c) Individuals receiving home-and community-based services as specified in part 6 of this article;*
- (f) Individuals receiving only optional state supplement;*
- (g) Individuals in institutions who are eligible under a special income level. Colorado’s program for citizens sixty-five years of age or older or physically disabled or blind, whose gross income does not exceed three hundred percent of the current federal supplemental security income benefit level, qualifies for federal funding under this provision;*
- (j) Individuals who are qualified aliens and were or would have been eligible for supplemental security income as a result of a disability but are not eligible for such supplemental security income as a result of the passage of the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996", Public Law 104-193;*

Adults 65 and Older (OAP-A): Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	OAP-A	Constant, trend, seasonal dummy variables	15.92	15.75	0.9707
ARIMA	D(OAP-A)	Constant, AR(2), MA(3)	14.53	14.27	0.2675
Trend Stationary	LOG(OAP-A)	Constant, trend, 4 lags on the dependent variable	-6.75	-7.01	0.6465
Difference Stationary	DLOG(OAP-A)	Constant, 3 lags on the dependent variable	-6.79	-6.97	0.1906
Regression A	OAP-A	Constant, CO population age 65+, lag of the dependent variable, lag of CO population age 65+	14.61	14.44	0.5611
VAR OAP-A and Population Ages Over 65	D(OAP-A) and D(Pop over 65)		14.40	14.13682	0.7159
November 2015 R-1			N/A	N/A	N/A

Adults 65 and Older: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	41,836	41,817	1.28%	42,352	535	71
ARIMA	41,836	41,817	1.11%	42,281	464	58
Trend Stationary	41,836	41,817	0.96%	42,218	401	47
Difference Stationary	41,836	41,817	1.29%	42,356	539	72
Regression A	41,836	41,817	0.96%	42,218	401	49
VAR OAP-A and Population Ages Over 65	41,836	41,817	1.61%	42,490	673	121
November 2015 R-1	41,836	41,817	1.00%	42,235	418	54

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	41,817	42,352	1.71%	43,076	724	45
ARIMA	41,817	42,281	1.17%	42,776	495	35
Trend Stationary	41,817	42,218	0.89%	42,594	376	29
Difference Stationary	41,817	42,356	1.43%	42,962	606	39
Regression A	41,817	42,218	0.75%	42,535	317	21
VAR OAP-A and Population Ages Over 65	41,817	42,490	4.97%	44,602	2,112	211
November 2015 R-1	41,817	42,235	1.41%	42,831	596	52

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	42,352	43,076	1.25%	43,614	538	45
ARIMA	42,281	42,776	0.98%	43,195	419	35
Trend Stationary	42,218	42,594	0.82%	42,943	349	29
Difference Stationary	42,356	42,962	1.10%	43,435	473	40
Regression A	42,218	42,535	0.67%	42,820	285	30
VAR OAP-A and Population Ages Over 65	42,490	44,602	6.69%	47,586	2,984	280
November 2015 R-1	42,235	42,831	1.49%	43,469	638	54

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Adults 65 and Older (OAP-A): Trend Selections

FY 2015-16: 1.00%

FY 2016-17: 1.41%

FY 2017-18: 1.49%

Adults 65 and Older (OAP-A): Justifications

- Average monthly caseload in FY 2014-15 for Adults 65 and Older was 41,817, which was 270 clients, or 0.64%, under what was forecasted in February 2015. This is due to an unusual decrease seen in October 2014, followed by another decrease in January 2015. For the first six months of FY 2015-16, caseload in this category has grown at an average of 130 clients per month. Consequently, the Department kept the previous trends, adjusting slightly for the FY 2015-16 six-month actuals. The projected percent growth for FY 2015-16 is one percent.
- This population will be affected by the “baby boomers”, defined by the U.S. Census Bureau as the generation born between 1946 and 1964. The Department believes this increase could be seen in Adults 60 to 64 with Disabilities (OAP-B) over FY 2013-14. This population actually saw declines in FY 2014-15. The Department, however, has selected aggressive growth trends for FY 2016-17 and FY 2017-18 to account for the expected baby boomers. A population pyramid is available for review on page MC-12.
- This population may be affected by provisions in the Deficit Reduction Act of 2005, notably sections 6011 (lengthening of look-back period), 6012 (treatment of annuities), 6014 (disqualification of individuals with substantial home equity), 6015 (reform of asset test rules). These provisions may decrease the long-term growth rates as fewer people may now be eligible due to these provisions.
- The graph above shows that growth has been strong since FY 2011-12. Historical growth rates are stable and tend to fluctuate between 1% and 2%. The Department suspects that the high growth rate in FY 2004-05 is due to the court order regarding the Colorado Benefits Management System. The Department speculates that the decline in FY 2006-07 may be indicative that the effects of the asset and annuities provisions in the Deficit Reduction Act may be stronger than expected. The Department has seen strong growth in the Home- and Community-Based Services for the Elderly, Blind, and Disabled waiver over the last four years. There has also been a large increase in the number of clients in this eligibility type who are not eligible for SSI or on a waiver. The Department believes this is related to caseload declines in the State-only Old Age Pension Health and Medical Care program, which were caused by the implementation of new requirements around Systematic Alien Verification for Entitlements (SAVE) to comply with HB 06S-1023 and Department regulations.

Adults 65 and Older: Historical Caseload and Projections

	Actuals	Monthly Change	% Change			Caseload	% Change	Level Change		Monthly Average Growth Actuals		
Dec-13	42,265	-	-		FY 2002-03	34,704	-	-		FY 2013-14 1st Half	185	0.45%
Jan-14	41,861	(404)	-0.96%		FY 2003-04	34,329	-1.08%	(375)		FY 2013-14 2nd Half	(117)	-0.28%
Feb-14	42,003	142	0.34%		FY 2004-05	35,780	4.23%	1,451		FY 2013-14	34	0.08%
Mar-14	42,145	142	0.34%		FY 2005-06	36,207	1.19%	427		FY 2014-15 1st Half	61	0.15%
Apr-14	41,762	(383)	-0.91%		FY 2006-07	35,888	-0.88%	(319)		FY 2014-15 2nd Half	(13)	-0.03%
May-14	41,991	229	0.55%		FY 2007-08	36,284	1.10%	396		FY 2014-15	24	0.06%
Jun-14	41,564	(427)	-1.02%		FY 2008-09	37,619	3.68%	1,335				
Jul-14	41,551	(13)	-0.03%		FY 2009-10	38,487	2.31%	868				
Aug-14	42,513	962	2.32%		FY 2010-11	38,921	1.13%	434				
Sep-14	42,643	130	0.31%		FY 2011-12	39,740	2.10%	819				
Oct-14	41,763	(880)	-2.06%		FY 2012-13	40,827	2.74%	1,087				
Nov-14	41,918	155	0.37%		FY 2013-14	41,836	2.47%	1,009				
Dec-14	41,927	9	0.02%		FY 2014-15	41,817	-0.05%	(19)				
Jan-15	41,392	(535)	-1.28%		FY 2015-16	42,235	1.00%	418				
Feb-15	41,334	(58)	-0.14%		FY 2016-17	42,831	1.41%	596				
Mar-15	41,518	184	0.45%		FY 2017-18	43,469	1.49%	638				
Apr-15	41,621	103	0.25%									
May-15	41,778	157	0.38%									
Jun-15	41,849	71	0.17%									
Jul-15	41,661	(188)	-0.45%									
Aug-15	41,909	248	0.60%									
Sep-15	42,134	225	0.54%									
Oct-15	41,817	(317)	-0.75%									
Nov-15	42,456	639	1.53%									
Dec-15	42,628	172	0.41%									

November 2015 Forecast		
Forecasted December 2015 Level		42,200

Base trend from December 2015 level			
FY 2015-16	42,364	1.31%	547

Actuals		
	Monthly Change	% Change
6-month average	130	0.31%
12-month average	58	0.14%
18-month average	59	0.14%
24-month average	15	0.04%

November 2015 Projection			
FY 2014-15	41,817	-0.05%	(19)
FY 2015-16	42,218	0.96%	401
FY 2016-17	42,830	1.45%	612
FY 2017-18	43,468	1.49%	638

Monthly Average Growth Comparisons	R-1	S-1
FY 2015-16 1st Half	58	130
FY 2015-16 2nd Half	50	(22)
FY 2015-16 2nd Half to Reach R-1 Estimate		(22)
FY 2015-16	54	54
FY 2016-17 1st Half	51	51
FY 2016-17 2nd Half	53	53
FY 2016-17	52	52
FY 2017-18 1st Half	53	53
FY 2017-18 2nd Half	55	55
FY 2017-18	54	54

Adults 60 to 64 with Disabilities (OAP-B)

Colorado automatically provides Medicaid coverage to individuals who receive Supplemental Security Income. Supplemental Security Income, authorized under Title XVI of the Social Security Act of 1965, is a federal cash assistance program for persons aged 65 and older, blind, or disabled. An individual must have income below the federal monthly maximum Supplemental Security Income limit and limited resources. Disabled adults aged 60 to 64 who are eligible for Supplemental Security Income are included in this category. In addition, states may extend coverage to individuals with incomes above the Supplemental Security Income limit, and who meet the nursing home level of care. Referred to as ‘Three-hundred Percenters’, these clients have incomes no more than three times the Supplemental Security Income maximum limit, and they meet the level of care to be in a nursing home.

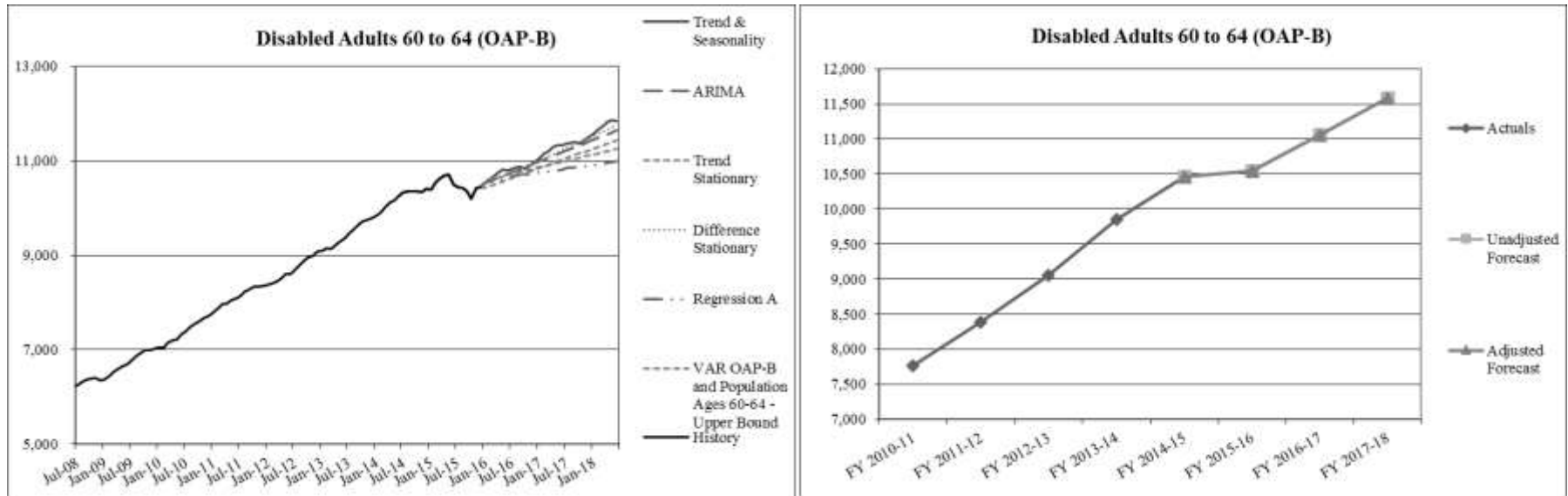
Quality control checks are completed from time to time to look for eligibility coding errors that commonly result in clients being misclassified between this Medicaid category and the State-only Old Age Pension Health and Medical Care program (non-Medicaid). Historical miscoding can make it difficult to forecast this Medicaid category as groups of individuals identified through this process may be abruptly moved in and out of this category.

25.5-5-101 (1), C.R.S.

- (f) Individuals receiving supplemental security income;*
- (g) Individuals receiving mandatory state supplement, including but not limited to individuals receiving old age pensions;*
- (h) Institutionalized individuals who were eligible for medical assistance in December 1973;*
- (i) Individuals who would be eligible except for the increase in old-age, survivors, and disability insurance under P.L. 92-336;*
- (j) Individuals who become ineligible for cash assistance as a result of old-age, survivors, and disability insurance cost-of-living increases after April 1977;*

25.5-5-201 (1), C.R.S.

- (b) Individuals who would be eligible for cash assistance except for their institutionalized status;*
- (c) Individuals receiving home-and community-based services as specified in part 6 of this article;*
- (f) Individuals receiving only optional state supplement;*
- (g) Individuals in institutions who are eligible under a special income level. Colorado’s program for citizens sixty-five years of age or older or physically disabled or blind, whose gross income does not exceed three hundred percent of the current federal supplemental security income benefit level, qualifies for federal funding under this provision;*
- (j) Individuals who are qualified aliens and were or would have been eligible for supplemental security income as a result of a disability but are not eligible for such supplemental security income as a result of the passage of the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996", Public Law 104-193;*

Adults 60 to 64 with Disabilities (OAP-B): Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	OAP-B	Constant, trend, and monthly seasonal variables	14.66	14.09	0.7577
ARIMA	d(OAP-B)	Constant, AR(2), MA(1)	11.92	11.74	-0.0462
Trend Stationary	log(OAP-B)	Constant, trend, and 3 lags on the dependent variable	-6.54	-6.76	0.976
Difference Stationary	dlog(OAP-B)	Constant and 3 lags on the dependent variable	-6.56	-6.74	-0.0285
Regression A	OAP-B	Constant, 1 lag on dependent variable, population over age 65, 1 lag on population over age 65	11.83	11.66	0.9747
VAR OAP-B and Population Ages 60-64 - Upper Bound	D(OAP-B) and D(Pop 60-64)		12.07	11.99	0.1384

Disabled Adults 60 to 64: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	9,853	10,466	0.72%	10,541	75	25
ARIMA	9,853	10,466	0.33%	10,501	35	18
Trend Stationary	9,853	10,466	0.46%	10,514	48	17
Difference Stationary	9,853	10,466	0.30%	10,497	31	18
Regression A	9,853	10,466	0.13%	10,480	14	11
VAR OAP-B and Population Ages 60-64 - Upper Bound	9,853	10,466	-0.18%	10,447	(19)	8

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	10,466	10,541	4.90%	11,058	517	44
ARIMA	10,466	10,501	4.45%	10,968	467	38
Trend Stationary	10,466	10,514	3.23%	10,854	340	23
Difference Stationary	10,466	10,497	4.69%	10,989	492	42
Regression A	10,466	10,480	2.52%	10,744	264	15
VAR OAP-B and Population Ages 60-64 - Upper Bound	10,466	10,447	3.66%	10,829	382	35

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	10,541	11,058	4.73%	11,581	523	44
ARIMA	10,501	10,968	4.20%	11,429	461	38
Trend Stationary	10,514	10,854	2.51%	11,126	272	23
Difference Stationary	10,497	10,989	4.73%	11,509	520	44
Regression A	10,480	10,744	1.54%	10,909	165	15
VAR OAP-B and Population Ages 60-64 - Upper Bound	10,447	10,829	3.87%	11,248	419	35

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Adults 60 to 64 with Disabilities (OAP-B): Trend Selections

FY 2015-16: 0.72%

FY 2016-17: 4.90%

FY 2017-18: 4.73%

Adults 60 to 64 with Disabilities (OAP-B): Justifications

- Average monthly caseload in FY 2014-15 for Adults 60 to 64 with Disabilities was 10,466, which was 115 clients, or 1.09%, under what was forecasted in February 2015. After analyzing the most recent monthly data and the 2010 population pyramid from the 2010 Census (see page MC-12), the Department anticipates aggressive growth in the coming years for this population. The aggressive growth trend that had been selected for this category in FY 2015-16 for the November 2015 forecast is dampened due to the actuals seen in the first six months of FY 2015-16.
- Average monthly growth for FY 2014-15 was 20 clients per month and the average monthly growth for the first six months of FY 2015-16 was -9 clients per month. Consequently the Department has selected a lower growth trend.
- The Department selected a difference stationary model for this eligibility, as the model produced produced trend that is in line with historical actuals. This is the selected model for FY 2015-16 through FY 2017-18.
- Historically, this category has displayed consistently slow growth, with caseload increasing by an average of 12 clients per month between FY 2002-03 and FY 2007-08, excluding the level shift that occurred from the court order regarding the Colorado Benefits Management System. Growth from FY 2008-09 through FY 2010-11 averaged 52 per month. This population, like the Adults 65 and Older category, may be affected by the asset and annuities provisions in the Deficit Reduction Act of 2005, which would promote low growth. This category began to be affected by the baby-boom generation, defined by the U.S. Census Bureau as the generation born between 1946 and 1964, in calendar year 2006, which may have resulted in higher growth. Population growth in this age group was 10.8% in 2009 and 7.1% in 2010. The Department has seen strong growth in the Home- and Community-Based Services (HCBS) for the Elderly, Blind, and Disabled waiver over the last four years. There has also been a large increase in the number of clients in this eligibility type who are not eligible for Supplemental Security Income (SSI) or on a waiver. The Department believes this is related to caseload declines in the State-only Old Age Pension Health and Medical Care program, which were caused by the implementation of new requirements around Systematic Alien Verification for Entitlements (SAVE) to comply with HB 06S-1023 and Department regulations.
- However, because this population consists of individuals with disabilities, the effects of both the baby boom generation and the Deficit Reduction Act are likely to be mitigated. Data for FY 2011-12 indicate that approximately 53.8% of this eligibility type were automatically eligible for Medicaid due to their receipt of SSI. Additionally, 45.3% of this population were dual eligibles in FY 2011-12 and 33.4% were enrolled in HCBS waivers. Enrollment in waivers has increased by an average of 11.8% per year for the last three years. (Source: MARS 474701 report)

Disabled Adults 60 to 64: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Dec-13	9,797	-	-
Jan-14	9,838	41	0.42%
Feb-14	9,919	81	0.82%
Mar-14	10,027	108	1.09%
Apr-14	10,129	102	1.02%
May-14	10,162	33	0.33%
Jun-14	10,263	101	0.99%
Jul-14	10,346	83	0.81%
Aug-14	10,350	4	0.04%
Sep-14	10,362	12	0.12%
Oct-14	10,355	(7)	-0.07%
Nov-14	10,341	(14)	-0.14%
Dec-14	10,404	63	0.61%
Jan-15	10,395	(9)	-0.09%
Feb-15	10,532	137	1.32%
Mar-15	10,615	83	0.79%
Apr-15	10,690	75	0.71%
May-15	10,703	13	0.12%
Jun-15	10,503	(200)	-1.87%
Jul-15	10,437	(66)	-0.63%
Aug-15	10,423	(14)	-0.13%
Sep-15	10,348	(75)	-0.72%
Oct-15	10,190	(158)	-1.53%
Nov-15	10,429	239	2.35%
Dec-15	10,451	22	0.21%

November 2015 Forecast		
Forecasted December 2015 Level		11,012

Base trend from December 2015 level			
FY 2015-16	10,415	-0.48%	(51)

	Caseload	% Change	Level Change
FY 2002-03	5,431	-	-
FY 2003-04	5,548	2.15%	117
FY 2004-05	6,082	9.63%	534
FY 2005-06	6,042	-0.66%	(40)
FY 2006-07	6,059	0.28%	17
FY 2007-08	6,146	1.44%	87
FY 2008-09	6,447	4.90%	301
FY 2009-10	7,049	9.34%	602
FY 2010-11	7,767	10.19%	718
FY 2011-12	8,383	7.93%	616
FY 2012-13	9,051	7.97%	668
FY 2013-14	9,853	8.86%	802
FY 2014-15	10,466	6.22%	613
FY 2015-16	10,541	0.72%	75
FY 2016-17	11,058	4.90%	517
FY 2017-18	11,581	4.73%	523

Actuals		
	Monthly Change	% Change
6-month average	(9)	-0.08%
12-month average	4	0.04%
18-month average	10	0.11%
24-month average	27	0.27%

Monthly Average Growth Actuals		
FY 2013-14 1st Half	73	0.77%
FY 2013-14 2nd Half	78	0.78%
FY 2013-14	75	0.77%
FY 2014-15 1st Half	24	0.23%
FY 2014-15 2nd Half	17	0.16%
FY 2014-15	20	0.20%

November 2015 Projection			
FY 2014-15	10,466	6.22%	613
FY 2015-16	11,035	5.44%	569
FY 2016-17	11,585	4.98%	550
FY 2017-18	12,162	4.98%	577

Monthly Average Growth Comparisons	R-1	S-1
FY 2015-16 1st Half	85	(9)
FY 2015-16 2nd Half	45	58
FY 2015-16 2nd Half to Reach R-1 Estimate		139
FY 2015-16	65	25
FY 2016-17 1st Half	46	30
FY 2016-17 2nd Half	47	58
FY 2016-17	47	44
FY 2017-18 1st Half	49	29
FY 2017-18 2nd Half	50	58
FY 2017-18	49	44

Individuals to 59 with Disabilities (AND/AB)

Colorado automatically provides Medicaid coverage to individuals who receive Supplemental Security Income. Supplemental Security Income, authorized under Title XVI of the Social Security Act of 1965, is a federal cash assistance program for persons aged 65 and older, blind, or disabled. An individual must have income below the federal monthly maximum Supplemental Security Income limit and limited resources. This category includes the disabled portion of this group through age 59. These individuals: are blind, have a physical or mental impairment that keeps them from performing substantial work expected to last 12 months or result in death, or are children who have a marked and severe functional limitation expected to last 12 months or until death. Children were added to the Title XVI Act in 1972. In addition, states may extend coverage to individuals with incomes too high for Supplemental Security Income, and who meet the nursing facility level of care. Referred to as 'Three-hundred Percenters', these clients have incomes no more than three times the Supplemental Security Income maximum limit, and they meet the level of care to be in a nursing home. Often, 'Three-hundred Percenters' are enrolled in a Home- and Community-Based waiver program.

The 1990 outcome of the *Zebley v. Sullivan* lawsuit found that children could not be held to a higher standard of disability than adults. Zebley required that children's disability be measured using child-appropriate activities. As a result, the number of children determined to be disabled significantly increased until 1996. Welfare reform in 1996 tightened the disability criteria for children. An Individual Evaluation Plan from the public school system was no longer sufficient to verify disability, and children were required to have a physician document their level of functional impairment. However, any child receiving Supplemental Security Income before 1996 who lost his/her Supplemental Security Income benefits due to the new rules is still eligible for Medicaid. This category also includes disabled adult children age 18 and older who lost their Supplemental Security Income eligibility due to their parents receiving Social Security Administration benefits and disabled widows and widowers aged 50 to 64 who lost Supplemental Security Income due to the receipt of Social Security Administration benefits.

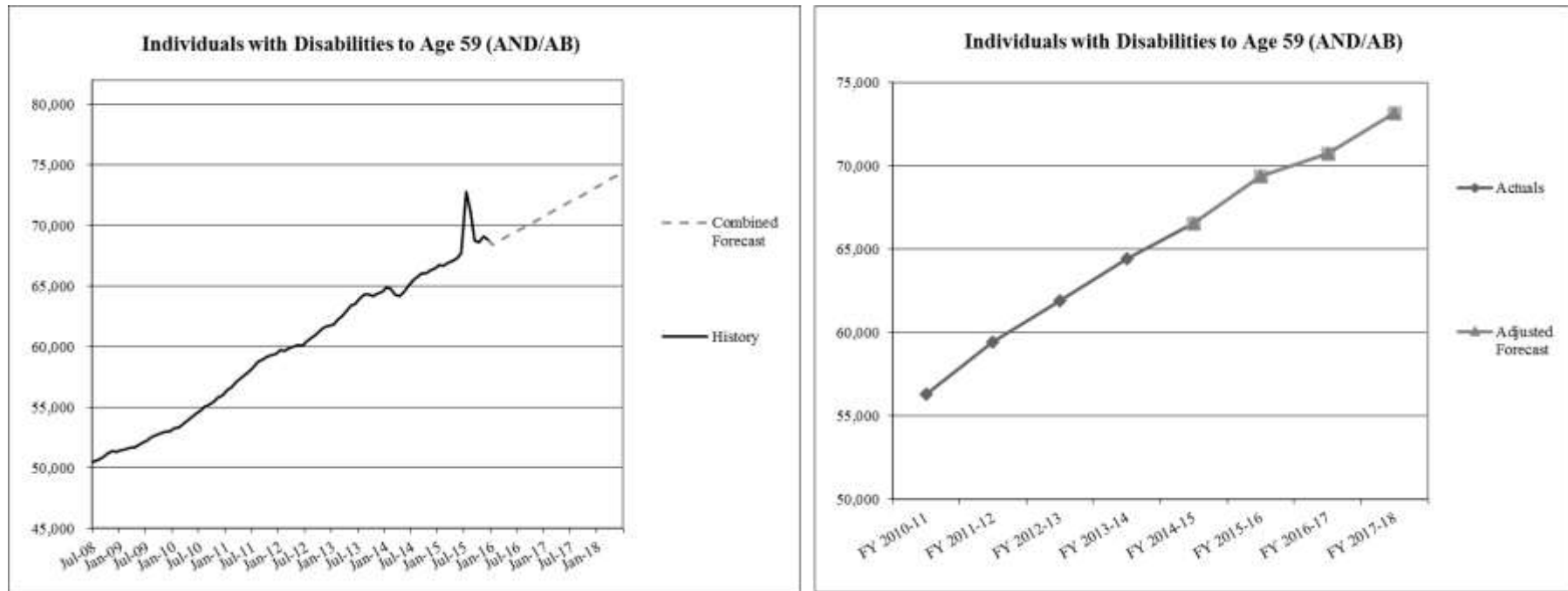
In July 2001, the Med-9 disability determination application process was disbanded due to federal requirements. This process let individuals under 65 who were seeking Medicaid coverage because of a disability experience an expeditious application process as compared to other applicants. By discontinuing the Med-9, clients underwent a more rigorous eligibility determination and caseload fell slightly.

25.5-5-101 (1), C.R.S.

- (f) Individuals receiving supplemental security income;*
- (g) Individuals receiving mandatory state supplement, including but not limited to individuals receiving old age pensions;*
- (h) Institutionalized individuals who were eligible for medical assistance in December 1973;*
- (i) Individuals who would be eligible except for the increase in old-age, survivors, and disability insurance under P.L. 92-336;*
- (j) Individuals who become ineligible for cash assistance as a result of old-age, survivors, and disability insurance cost-of-living increases after April 1977;*
- (k) Disabled widows or widowers fifty through sixty years of age who have become ineligible for federal supplemental security income or state supplementation as a result of becoming eligible for federal social security survivor's benefits, in accordance with the social security act, 42 U.S.C. sec. 1383c;*

25.5-5-201 (1), C.R.S.

- (b) Individuals who would be eligible for cash assistance except for their institutionalized status;*
- (c) Individuals receiving home-and community-based services as specified in part 6 of this article;*
- (f) Individuals receiving only optional state supplement;*
- (g) Individuals in institutions who are eligible under a special income level. Colorado's program for citizens sixty-five years of age or older or physically disabled or blind, whose gross income does not exceed three hundred percent of the current federal supplemental security income benefit level, qualifies for federal funding under this provision;*
- (j) Individuals who are qualified aliens and were or would have been eligible for supplemental security income as a result of a disability but are not eligible for such supplemental security income as a result of the passage of the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996", Public Law 104-193;*

Individuals to 59 with Disabilities (AND/AB): Model Results

Individuals with Disabilities to Age 59: Model Results¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change²
Combined Forecast	64,424	66,548	4.26%	69,387	2,839	144

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change²
Combined Forecast	66,548	69,387	1.94%	70,731	1,344	203

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change²
Combined Forecast	69,387	70,731	3.46%	73,179	2,448	205

¹ Bold denotes trend selection² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Individuals to 59 with Disabilities (AND/AB): Trend Selections

FY 2015-16: 4.27%

FY 2016-17: 1.94%

FY 2017-18: 3.46%

Individuals to 59 with Disabilities (AND/AB): Justifications

- Average monthly caseload in FY 2014-15 for AND/AB was 66,548, which was 273, or 0.41%, under what was forecasted in February 2015. The Department has selected models separately for the age group 0-18 and the age group 19-59. See below for more details.
- HB 05-1262 expanded the number of children that can be enrolled in the Children's Home- and Community-Based Service (HCBS) Waiver Program and the Children's Extensive Support (CES) Waiver Program. The original expansion was 527 slots, which began to be filled in FY 2005-06. During the March 13, 2006 Figure Setting, the number of expansion slots funded under the Tobacco Tax bill was increased by 200 in the Children's HCBS Waiver Program and 30 in the CES Waiver Program. The Department received approval for the additional expansions from the Centers for Medicare and Medicaid Services in December 2006. All new expansion slots were filled by FY 2007-08.
- This population has historically been stable, having increased by approximately 5,000 clients between FY 1998-99 and FY 2007-08, or an average of 0.8% per year. However, growth rates in this population have increased significantly in the last four fiscal years, with caseload in HCBS waivers showing strong growth. In addition, over the last four years, the number of individuals eligible for Medicaid due to receipt of SSI has represented most of the growth in this eligibility group. The Department believes that this may be related to economic conditions in that individuals with work-limiting disabilities who were employed prior to the recession and have exhausted their federally-extended unemployment benefits may now be applying for Supplemental Security Income (SSI) if they cannot find work. Data for FY 2011-12 indicate that approximately 68.8% of this eligibility type were automatically eligible for Medicaid due to their receipt of Supplemental Security Income (SSI). Additionally, 32.7% of this population were dual eligibles in FY 2011-12 and 28.5% were enrolled in Home- and Community-Based (HCBS) waivers. Enrollment in waivers has increased by an average of 4.3% per year for the last three years. (Source: MARS 474701 report)

Individuals with Disabilities to age 59: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Dec-13	64,478	-	-
Jan-14	64,838	360	0.56%
Feb-14	64,798	(40)	-0.06%
Mar-14	64,312	(486)	-0.75%
Apr-14	64,148	(164)	-0.26%
May-14	64,492	344	0.54%
Jun-14	64,968	476	0.74%
Jul-14	65,459	491	0.76%
Aug-14	65,785	326	0.50%
Sep-14	66,054	269	0.41%
Oct-14	66,009	(45)	-0.07%
Nov-14	66,343	334	0.51%
Dec-14	66,441	98	0.15%
Jan-15	66,758	317	0.48%
Feb-15	66,651	(107)	-0.16%
Mar-15	66,974	323	0.48%
Apr-15	67,110	136	0.20%
May-15	67,261	151	0.23%
Jun-15	67,726	465	0.69%
Jul-15	72,760	5,034	7.43%
Aug-15	71,167	(1,593)	-2.19%
Sep-15	68,765	(2,402)	-3.38%
Oct-15	68,576	(189)	-0.27%
Nov-15	69,113	537	0.78%
Dec-15	68,813	(300)	-0.43%

November 2015 Forecast	
Forecasted December 2015 Level	68,785

Base trend from December 2015 level			
FY 2015-16	69,339	4.19%	2,791

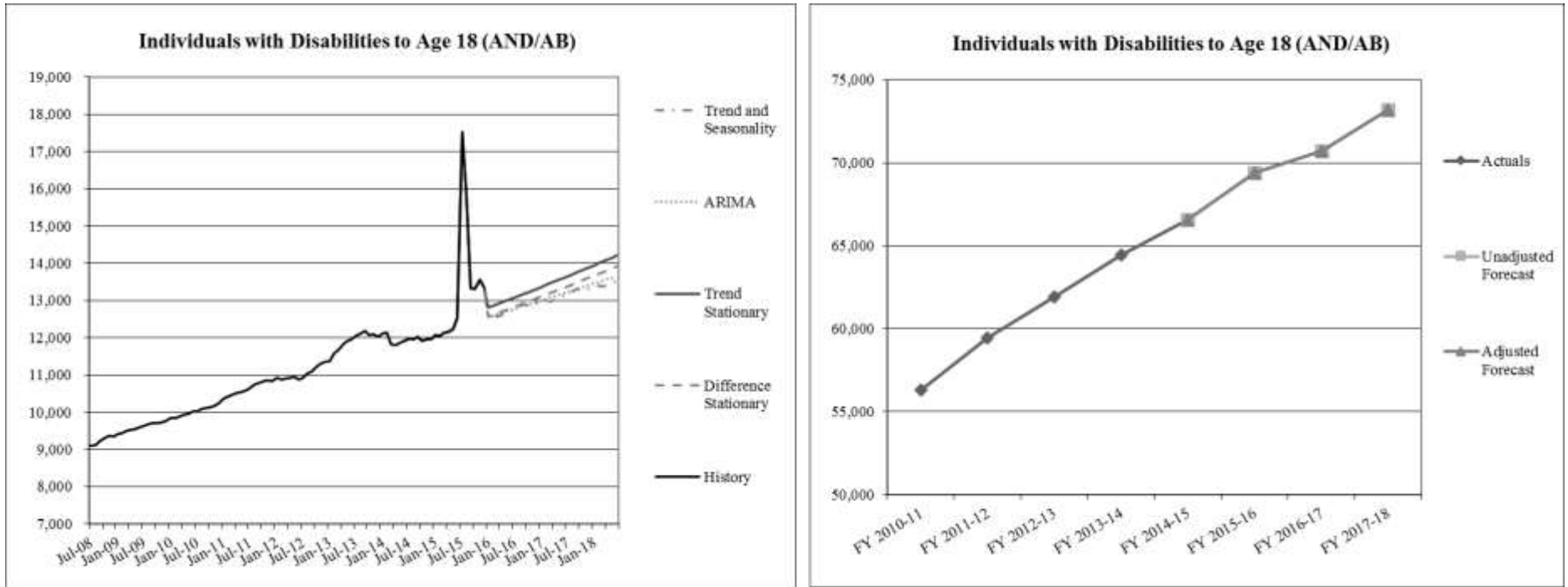
	Caseload	% Change	Level Change
FY 2002-03	46,647	-	-
FY 2003-04	46,789	0.30%	142
FY 2004-05	47,929	2.44%	1,140
FY 2005-06	47,855	-0.15%	(74)
FY 2006-07	48,799	1.97%	944
FY 2007-08	49,933	2.32%	1,134
FY 2008-09	51,355	2.85%	1,422
FY 2009-10	53,264	3.72%	1,909
FY 2010-11	56,285	5.67%	3,021
FY 2011-12	59,434	5.59%	3,149
FY 2012-13	61,920	4.18%	2,486
FY 2013-14	64,424	4.04%	2,504
FY 2014-15	66,548	3.30%	2,124
FY 2015-16	69,387	4.27%	2,839
FY 2016-17	70,731	1.94%	1,344
FY 2017-18	73,179	3.46%	2,448

Actuals		
	Monthly Change	% Change
6-month average	181	0.32%
12-month average	198	0.32%
18-month average	214	0.34%
24-month average	181	0.29%

Monthly Average Growth Actuals		
FY 2013-14 1st Half	156	0.24%
FY 2013-14 2nd Half	82	0.13%
FY 2013-14	119	0.19%
FY 2014-15 1st Half	246	0.37%
FY 2014-15 2nd Half	214	0.32%
FY 2014-15	230	0.35%

November 2015 Projection			
FY 2014-15	66,548	3.30%	2,124
FY 2015-16	68,897	3.53%	2,349
FY 2016-17	71,569	3.88%	2,672
FY 2017-18	74,263	3.76%	2,694

Monthly Average Growth Comparisons	R-1	S-1
FY 2015-16 1st Half	177	181
FY 2015-16 2nd Half	222	100
FY 2015-16 2nd Half to Reach R-1 Estimate		218
FY 2015-16	199	141
FY 2016-17 1st Half	223	203
FY 2016-17 2nd Half	224	204
FY 2016-17	224	203
FY 2017-18 1st Half	225	204
FY 2017-18 2nd Half	226	206
FY 2017-18	225	205

Individuals to 59 with Disabilities (AND/AB), Age 0 to 18: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend and Seasonality	AND/AB 0-18	Constant, trend, and monthly seasonal variables	14.91	14.37	0.6339
ARIMA	d(AND/AB 0-18)	Constant, AR(1), MA(2)	11.1	10.99	0.0261
Trend Stationary	log(AND/AB 0-18)	Constant, trend, and 3 lags on the dependent variable	-7.57	-7.70	0.9975
Difference Stationary	dlog(AND/AB 0-18)	Constant and 3 lags on the dependent variable	-7.57	-7.68	0.0150

Individuals with Disabilities to Age 18: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	12,019	12,079	12.18%	13,550	1,471	16
ARIMA	12,019	12,079	12.26%	13,560	1,481	17
Trend Stationary	12,019	12,079	13.40%	13,698	1,619	42
Difference Stationary	12,019	12,079	12.39%	13,576	1,497	21

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	12,079	13,550	-4.43%	12,950	(600)	33
ARIMA	12,079	13,560	-4.24%	12,985	(575)	38
Trend Stationary	12,079	13,698	-2.59%	13,343	(355)	48
Difference Stationary	12,079	13,576	-3.63%	13,083	(493)	46

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	13,550	12,950	3.10%	13,351	401	33
ARIMA	13,560	12,985	3.50%	13,439	454	38
Trend Stationary	13,698	13,343	4.37%	13,926	583	50
Difference Stationary	13,576	13,083	4.29%	13,644	561	48

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Individuals to 59 with Disabilities (AND/AB), Age 0 to 18: Trend Selections

FY 2015-16: 13.40%

FY 2016-17: -2.59%

FY 2017-18: 4.37%

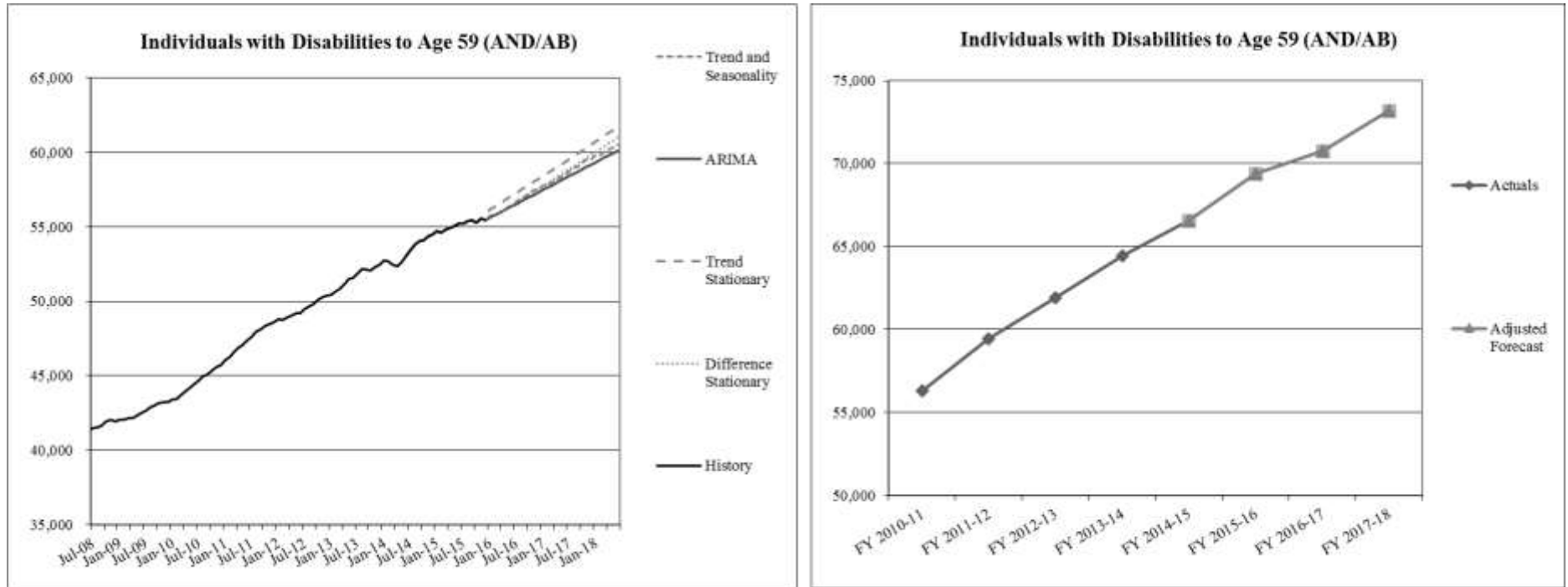
Individuals to 59 with Disabilities (AND/AB), Age 0 to 18: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with two age group sub-categories, to increase forecast accuracy.

The Department identified a data error for July 2015 forward that incorrectly assigned children to eligibility categories for individuals with disabilities, based on their parents' disability status. This error incorrectly moved clients from Eligible Children and Children's Basic Health Plan (CHP) to Individuals to 59 with Disabilities and Children with Disabilities - Buy-In. This data issue has falsely inflated the FY 2015-16 six-month actuals, resulting in the spike in clients that can be seen in the graph on page MC-38. The Department assumes that this issue will be resolved before the end of FY 2015-16.

FY 2016-17 BUDGET REQUEST: CASELOAD NARRATIVE

Individuals with Disabilities to age 18: Historical Caseload and Projections											
	Actuals	Monthly Change	% Change		Caseload	% Change	Level Change	Monthly Average Growth Actuals			
Dec-13	12,035	-	-	FY 2007-08	9,019	0	0	FY 2013-14 1st Half		13	0.11%
Jan-14	12,125	90	0.75%	FY 2008-09	9,375	3.95%	356	FY 2013-14 2nd Half		(19)	-0.16%
Feb-14	12,135	10	0.08%	FY 2009-10	9,812	4.66%	437	FY 2013-14		(3)	-0.02%
Mar-14	11,830	(305)	-2.51%	FY 2010-11	10,308	5.06%	496	FY 2014-15 1st Half		8	0.07%
Apr-14	11,797	(33)	-0.28%	FY 2011-12	10,848	5.24%	540	FY 2014-15 2nd Half		94	0.78%
May-14	11,862	65	0.55%	FY 2012-13	11,436	5.42%	588	FY 2014-15		51	0.42%
Jun-14	11,919	57	0.48%	FY 2013-14	12,019	5.10%	583	November 2015 Projection			
Jul-14	11,976	57	0.48%	FY 2014-15	12,079	0.50%	60	FY 2014-15	12,079	0.50%	60
Aug-14	11,963	(13)	-0.11%	FY 2015-16	13,698	13.40%	1,619	FY 2015-16	12,538	3.80%	459
Sep-14	12,022	59	0.49%	FY 2016-17	13,343	-2.59%	(355)	FY 2016-17	13,063	4.19%	525
Oct-14	11,909	(113)	-0.94%	FY 2017-18	13,926	4.37%	583	FY 2017-18	13,610	4.19%	547
Nov-14	11,955	46	0.39%								
Dec-14	11,966	11	0.09%								
Jan-15	12,061	95	0.79%								
Feb-15	12,045	(16)	-0.13%								
Mar-15	12,133	88	0.73%								
Apr-15	12,172	39	0.32%								
May-15	12,219	47	0.39%								
Jun-15	12,531	312	2.55%								
Jul-15	17,518	4,987	39.80%								
Aug-15	15,782	(1,736)	-9.91%								
Sep-15	13,331	(2,451)	-15.53%								
Oct-15	13,320	(11)	-0.08%								
Nov-15	13,552	232	1.74%								
Dec-15	13,353	(199)	-1.47%								
November 2015 Forecast											
Forecasted December 2015 Level			12,516								
Base trend from December 2015 level											
FY 2015-16	13,915	15.20%	1,836								

Individuals to 59 with Disabilities (AND/AB), Age 19 to 59: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend and Seasonality	AND/AB 19-59	Constant, trend, and monthly seasonal variables	14.91	14.37	0.6339
ARIMA	d(AND/AB 19-59)	Constant, AR(1), MA(1)	11.1	10.99	0.0261
Trend Stationary	log(AND/AB 19-59)	Constant, trend, and 3 lags on the dependent variable	-7.57	-7.7	0.9975
Difference Stationary	dlog(AND/AB 19-59)	Constant and 2 lags on the dependent variable	-7.57	-7.68	0.015

Individuals with Disabilities Ages 19 to 59: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	52,405	54,469	2.30%	55,722	1,253	106
ARIMA	52,405	54,469	2.24%	55,689	1,220	99
Trend Stationary	52,405	54,469	2.81%	56,000	1,531	157
Difference Stationary	52,405	54,469	2.24%	55,689	1,220	104

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	54,469	55,722	3.41%	57,622	1,900	169
ARIMA	54,469	55,689	3.05%	57,388	1,699	156
Trend Stationary	54,469	56,000	4.11%	58,302	2,302	190
Difference Stationary	54,469	55,689	3.52%	57,649	1,960	186

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	55,722	57,622	3.53%	59,656	2,034	169
ARIMA	55,689	57,388	3.25%	59,253	1,865	156
Trend Stationary	56,000	58,302	3.99%	60,628	2,326	197
Difference Stationary	55,689	57,649	3.96%	59,932	2,283	194

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Individuals to 59 with Disabilities (AND/AB), Age 19 to 59: Trend Selections

FY 2015-16: 2.24%

FY 2016-17: 3.05%

FY 2017-18: 3.25%

Individuals to 59 with Disabilities (AND/AB), Age 19 to 59: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with two age group sub-categories, to increase forecast accuracy. Average monthly caseload growth for the first half of FY 2015-16 is 44. This is below what was expected in the November 2015 forecast. Average monthly caseload growth would have to be 314 in the second half of FY 2015-16 to reach the November 2015 estimate for FY 2015-16; the Department has accordingly brought down the forecast.

Individuals with Disabilities to age 19-59: Historical Caseload and Projections											
				Historical				Projections			
	Actuals	Monthly Change	% Change		Caseload	% Change	Level Change		Monthly Average Growth Actuals		
Dec-13	52,443	-	-	FY 2007-08	40,914	-	-	FY 2013-14 1st Half	144	0.28%	
Jan-14	52,713	270	0.51%	FY 2008-09	41,980	2.61%	1,066	FY 2013-14 2nd Half	101	0.19%	
Feb-14	52,663	(50)	-0.09%	FY 2009-10	43,452	3.51%	1,472	FY 2013-14	122	0.23%	
Mar-14	52,482	(181)	-0.34%	FY 2010-11	45,977	5.81%	2,525	FY 2014-15 1st Half	238	0.44%	
Apr-14	52,351	(131)	-0.25%	FY 2011-12	48,586	5.67%	2,609	FY 2014-15 2nd Half	120	0.22%	
May-14	52,630	279	0.53%	FY 2012-13	50,484	3.91%	1,898	FY 2014-15	179	0.33%	
Jun-14	53,049	419	0.80%	FY 2013-14	52,405	3.81%	1,921	November 2015 Projection			
Jul-14	53,483	434	0.82%	FY 2014-15	54,469	3.94%	2,064	FY 2014-15	54,469	3.94%	
Aug-14	53,822	339	0.63%	FY 2015-16	55,689	2.24%	1,220	FY 2015-16	56,359	3.47%	
Sep-14	54,032	210	0.39%	FY 2016-17	57,388	3.05%	1,699	FY 2016-17	58,506	3.81%	
Oct-14	54,100	68	0.13%	FY 2017-18	59,253	3.25%	1,865	FY 2017-18	60,653	3.67%	
Nov-14	54,388	288	0.53%								
Dec-14	54,475	87	0.16%	Actuals				Monthly Average Growth Comparisons			
Jan-15	54,697	222	0.41%			Monthly Change	% Change		R-1	S-1	
Feb-15	54,606	(91)	-0.17%	6-month average		44	0.08%	FY 2015-16 1st Half	179	44	
Mar-15	54,841	235	0.43%	12-month average		82	0.15%	FY 2015-16 2nd Half	179	153	
Apr-15	54,938	97	0.18%	18-month average		134	0.25%	FY 2015-16 2nd Half to Reach R-1 Estimate		314	
May-15	55,042	104	0.19%	24-month average		126	0.23%	FY 2015-16	179	99	
Jun-15	55,195	153	0.28%					FY 2016-17 1st Half	179	156	
Jul-15	55,242	47	0.09%					FY 2016-17 2nd Half	179	156	
Aug-15	55,385	143	0.26%					FY 2016-17	179	156	
Sep-15	55,434	49	0.09%					FY 2017-18 1st Half	179	155	
Oct-15	55,256	(178)	-0.32%					FY 2017-18 2nd Half	179	156	
Nov-15	55,561	305	0.55%					FY 2017-18	179	155	
Dec-15	55,460	(101)	-0.18%								
November 2015 Forecast											
Forecasted December 2015 Level			56,269								
Base trend from December 2015 level											
FY 2015-16	55,425	1.75%	956								

Working Adults and Children with Disabilities – Buy-In

HB 09-1293 (Colorado Health Care Affordability Act) establishes the Buy-In Program for Individuals with Disabilities, which will allow individuals to pay a premium to purchase Medicaid coverage if they are over income or are otherwise ineligible for Medicaid. The Buy-In Program for Working Adults with Disabilities was implemented on March 1, 2012 and allows eligible clients age 16 to 65 with income up to 450% of the federal poverty level that have a qualifying disability and are working to receive Medicaid by paying a monthly premium based on their income. The Buy-In Program for Disabled Children was implemented on July 1, 2012. This program allows children under age 19 with a qualifying disability and family income up to 300% of the federal poverty level to receive Medicaid by paying a monthly premium based on their family income.

25.5-5-206 (1), C.R.S.

(a) Subject to available appropriations, the state department is authorized to seek federal authorization to and to establish a Medicaid buy-in program or programs for:

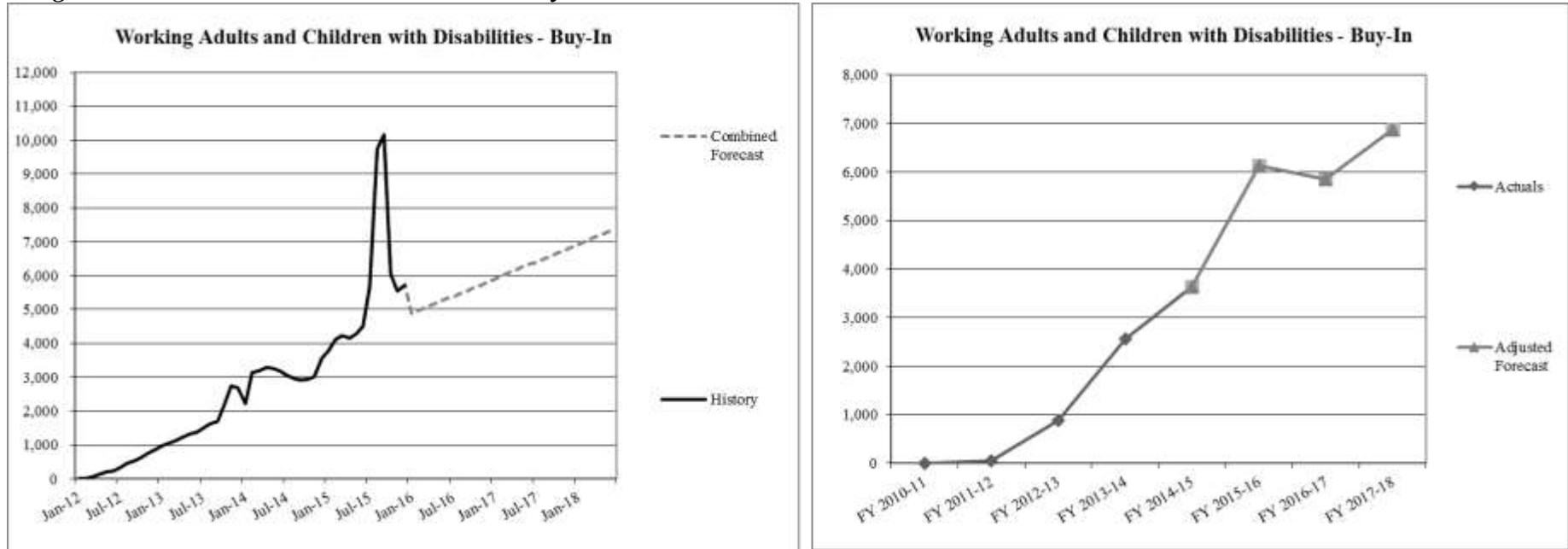
(I) Disabled children; or

(II) Disabled adults who do not qualify for the Medicaid buy-in program established pursuant to part 14 of article 6 of this title.

(b) The Medicaid buy-in program or programs established pursuant to paragraph (a) of this subsection (1) may provide for premium and cost-sharing charges on a sliding fee scale based upon a family's income.

25.5-5-206 (2), C.R.S.

The state board shall promulgate rules consistent with any federal authorization to implement and administer the Medicaid buy-in program or programs established pursuant to paragraph (a) of subsection (1) of this section.

Working Adults and Children with Disabilities – Buy-In: Model Results

Working Adults and Children with Disabilities - Buy-In: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	2,560	3,627	68.79%	6,122	2,495	67

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	3,627	6,122	-4.31%	5,858	(264)	85

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	6,122	5,858	17.34%	6,874	1,016	84

¹ Bold denotes Trend Selection² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Working Adults and Children with Disabilities – Buy-In: Trend Selections

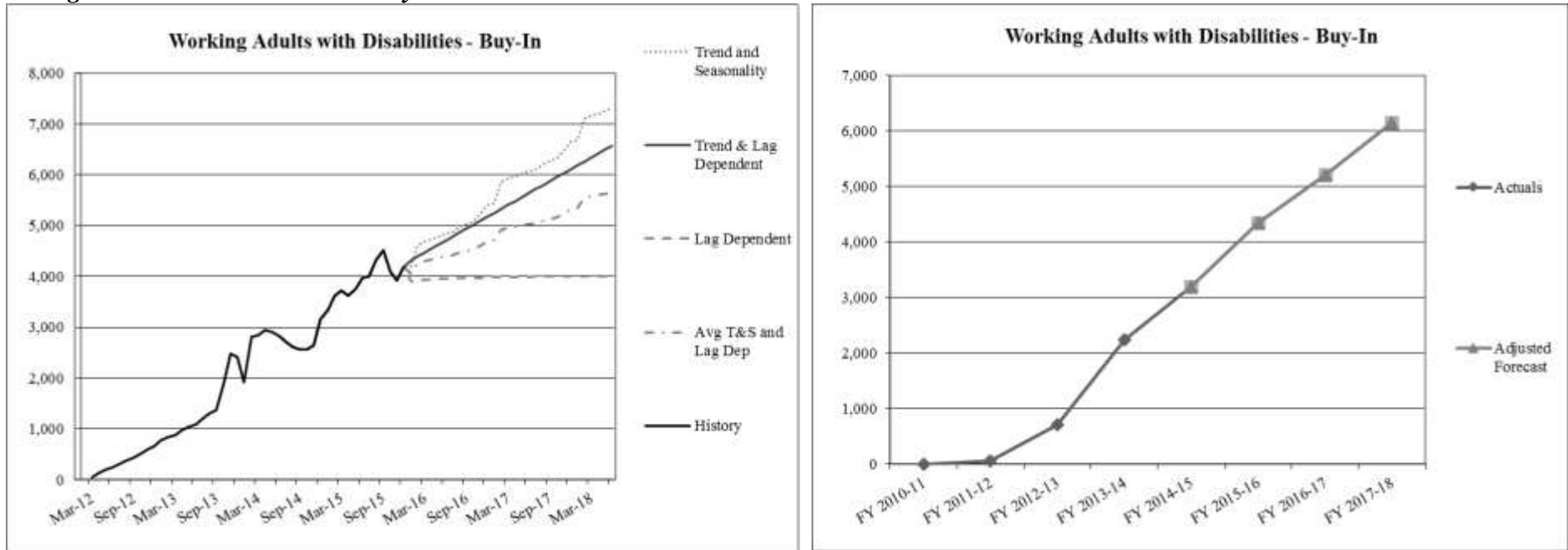
FY 2015-16: 68.79%

FY 2016-17: -4.31%

FY 2017-18: 17.34%

Working Adults and Children with Disabilities – Buy-In: Justifications

- Average monthly caseload in FY 2014-15 for Working Adults and Children with Disabilities – Buy-In was 3,627, which was 202 clients, or 5.90%, over what was forecasted in February 2015. The Department has selected models separately for working adults and children. See below for more details.
- HB 09-1293 established the Buy-In Program for Working Adults with Disabilities beginning March 1, 2012 and for Disabled Children July 1, 2012. This program allows individuals to pay a premium to purchase Medicaid coverage if they are over income or are otherwise ineligible for Medicaid.

Working Adults with Disabilities – Buy-In: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend and Seasonality	DBI-Adults	Constant, trend, and monthly seasonal variables	10.93	10.36	0.9104
Trend & Lag Dependent	DBI-Adults	Constant, dummy variable for Oct 2013 forward, trend, and 1 lag of the dependent variable	8.35	8.17	0.9846
Lag Dependent	DBI-Adults	Constant, dummy variable for Oct 2013 forward, and 1 lag on the dependent variable	8.40	8.27	0.9825
Avg T&S and Lag Dep					

Working Adults with Disabilities - Buy-In: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	2,243	3,189	38.26%	4,409	1,220	72
Trend & Lag Dependent	2,243	3,189	36.12%	4,341	1,152	61
Lag Dependent	2,243	3,189	27.09%	4,053	864	(2)
Avg T&S and Lag Dep	2,243	3,189	32.67%	4,231	1,042	35

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	3,189	4,409	24.52%	5,490	1,081	103
Trend & Lag Dependent	3,189	4,341	20.04%	5,211	870	78
Lag Dependent	3,189	4,053	-1.80%	3,980	(73)	3
Avg T&S and Lag Dep	3,189	4,231	11.91%	4,735	504	53

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	4,409	5,490	22.51%	6,726	1,236	103
Trend & Lag Dependent	4,341	5,211	17.90%	6,144	933	78
Lag Dependent	4,053	3,980	0.50%	4,000	20	1
Avg T&S and Lag Dep	4,231	4,735	13.26%	5,363	628	52

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Working Adults with Disabilities – Buy-In: Trend Selections

FY 2015-16: 36.12%

FY 2016-17: 20.04%

FY 2017-18: 17.90%

Working Adults with Disabilities – Buy-In: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with sub-categories, to increase forecast accuracy. FY 2015-16 six-month actuals show caseload on track with the November 2015 estimates; the Department has adjusted the forecast very slightly upward based on higher expected average monthly caseload growth in the second half of the fiscal year.

Working Adults with Disabilities - Buy-In: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Dec-13	2,413	-	-
Jan-14	1,917	(496)	-20.56%
Feb-14	2,815	898	46.84%
Mar-14	2,848	33	1.17%
Apr-14	2,936	88	3.09%
May-14	2,904	(32)	-1.09%
Jun-14	2,823	(81)	-2.79%
Jul-14	2,708	(115)	-4.07%
Aug-14	2,607	(101)	-3.73%
Sep-14	2,566	(41)	-1.57%
Oct-14	2,558	(8)	-0.31%
Nov-14	2,640	82	3.21%
Dec-14	3,155	515	19.51%
Jan-15	3,342	187	5.93%
Feb-15	3,623	281	8.41%
Mar-15	3,718	95	2.62%
Apr-15	3,630	(88)	-2.37%
May-15	3,755	125	3.44%
Jun-15	3,973	218	5.81%
Jul-15	3,995	22	0.55%
Aug-15	4,318	323	8.09%
Sep-15	4,508	190	4.40%
Oct-15	4,109	(399)	-8.85%
Nov-15	3,926	(183)	-4.45%
Dec-15	4,178	252	6.42%

November 2015 Forecast		
Forecasted December 2015 Level		4,267

Base trend from December 2015 level			
FY 2015-16	4,175	30.92%	986

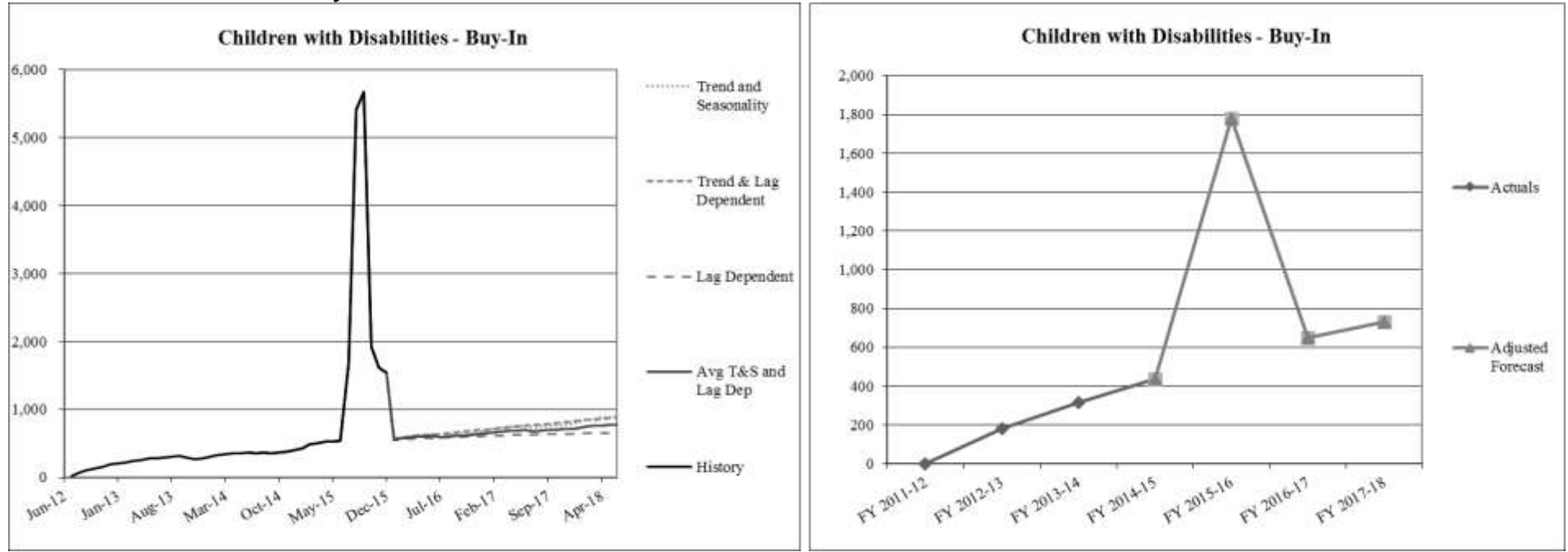
	Caseload	% Change	Level Change
FY 2002-03	-	-	-
FY 2003-04	-	-	-
FY 2004-05	-	-	-
FY 2005-06	-	-	-
FY 2006-07	-	-	-
FY 2007-08	-	-	-
FY 2008-09	-	-	-
FY 2009-10	-	-	-
FY 2010-11	-	-	-
FY 2011-12	52	-	52
FY 2012-13	707	1259.62%	655
FY 2013-14	2,243	217.26%	1,536
FY 2014-15	3,189	42.18%	946
FY 2015-16	4,341	36.12%	1,152
FY 2016-17	5,211	20.04%	870
FY 2017-18	6,144	17.90%	933

Actuals		
	Monthly Change	% Change
6-month average	34	1.03%
12-month average	85	2.50%
18-month average	75	2.39%
24-month average	74	2.90%

Monthly Average Growth Actuals		
FY 2013-14 1st Half	221	15.09%
FY 2013-14 2nd Half	68	4.45%
FY 2013-14	145	9.77%
FY 2014-15 1st Half	55	2.17%
FY 2014-15 2nd Half	136	3.97%
FY 2014-15	96	3.07%

November 2015 Projection			
FY 2014-15	3,189	42.18%	946
FY 2015-16	4,298	34.78%	1,109
FY 2016-17	5,085	18.31%	787
FY 2017-18	5,776	13.59%	691

Monthly Average Growth Comparisons	R-1	S-1
FY 2015-16 1st Half	49	34
FY 2015-16 2nd Half	68	88
FY 2015-16 2nd Half to Reach R-1 Estimate		83
FY 2015-16	59	61
FY 2016-17 1st Half	64	78
FY 2016-17 2nd Half	60	78
FY 2016-17	62	78
FY 2017-18 1st Half	56	78
FY 2017-18 2nd Half	52	78
FY 2017-18	54	78

Children with Disabilities – Buy-In: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend and Seasonality	DBI-Kids	Constant, trend, and monthly seasonal variables	10.93	10.36	0.9104
Trend & Lag Dependent	d(DBI-Kids)	Constant, trend, and 2 lags on the dependent variable	8.35	8.17	0.9846
Lag Dependent	DBI-Kids	Constant and 2 lags on the dependent variable	8.40	8.27	0.9825
Avg T&S and Lag Dep					

Children with Disabilities - Buy-In: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	317	438	308.68%	1,790	1,352	9
Trend & Lag Dependent	317	438	308.45%	1,789	1,351	8
Lag Dependent	317	438	304.34%	1,771	1,333	4
Avg T&S and Lag Dep	317	438	306.62%	1,781	1,343	6

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	438	1,790	-61.68%	686	(1,104)	11
Trend & Lag Dependent	438	1,789	-60.82%	701	(1,088)	11
Lag Dependent	438	1,771	-65.67%	608	(1,163)	4
Avg T&S and Lag Dep	438	1,781	-63.67%	647	(1,134)	7

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend and Seasonality	1,790	686	18.66%	814	128	11
Trend & Lag Dependent	1,789	701	18.12%	828	127	11
Lag Dependent	1,771	608	6.09%	645	37	3
Avg T&S and Lag Dep	1,781	647	12.83%	730	83	7

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Children with Disabilities – Buy-In: Trend Selections

FY 2015-16: 306.62%

FY 2016-17: -63.67%

FY 2017-18: 12.83%

Children with Disabilities – Buy-In: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with sub-categories, to increase forecast accuracy.

The Department identified a data error for July 2015 forward that incorrectly assigned children to eligibility categories for individuals with disabilities, based on their parents' disability status. This error incorrectly moved clients from Eligible Children and Children's Basic Health Plan (CHP) to Individuals to 59 with Disabilities and Children with Disabilities - Buy-In. Due to the small caseload level for this population, Children with Disabilities – Buy-In has been disproportionately affected by this data issue, which has falsely inflated the FY 2015-16 six-month actuals, resulting in the spike in clients that can be seen in the graph on page MC-54. The Department assumes that this issue will be resolved before the end of FY 2015-16.

Children with Disabilities - Buy-In: Historical Caseload and Projections											
	Actuals	Monthly Change	% Change		Caseload	% Change	Level Change		Monthly Average Growth Actuals		
Dec-13	277	-	-	FY 2002-03	-	-	-	FY 2013-14 1st Half	(1)	-0.08%	
Jan-14	300	23	8.30%	FY 2003-04	-	-	-	FY 2013-14 2nd Half	14	4.67%	
Feb-14	331	31	10.33%	FY 2004-05	-	-	-	FY 2013-14	7	2.29%	
Mar-14	340	9	2.72%	FY 2005-06	-	-	-	FY 2014-15 1st Half	6	1.70%	
Apr-14	352	12	3.53%	FY 2006-07	-	-	-	FY 2014-15 2nd Half	23	5.06%	
May-14	353	1	0.28%	FY 2007-08	-	-	-	FY 2014-15	14	3.38%	
Jun-14	363	10	2.83%	FY 2008-09	-	-	-				
Jul-14	357	(6)	-1.65%	FY 2009-10	-	-	-				
Aug-14	364	7	1.96%	FY 2010-11	-	-	-				
Sep-14	359	(5)	-1.37%	FY 2011-12	-	-	-				
Oct-14	369	10	2.79%	FY 2012-13	181	-	181				
Nov-14	383	14	3.79%	FY 2013-14	317	75.14%	136				
Dec-14	401	18	4.70%	FY 2014-15	438	38.17%	121				
Jan-15	430	29	7.23%	FY 2015-16	1,781	306.62%	1,343				
Feb-15	489	59	13.72%	FY 2016-17	647	-63.67%	(1,134)				
Mar-15	508	19	3.89%	FY 2017-18	730	12.83%	83				
Apr-15	531	23	4.53%								
May-15	524	(7)	-1.32%								
Jun-15	536	12	2.29%								
Jul-15	1,675	1,139	212.50%								
Aug-15	5,415	3,740	223.28%								
Sep-15	5,667	252	4.65%								
Oct-15	1,921	(3,746)	-66.10%								
Nov-15	1,613	(308)	-16.03%								
Dec-15	1,539	(74)	-4.59%								
November 2015 Forecast											
Forecasted December 2015 Level			551								
Base trend from December 2015 level											
FY 2015-16	2,255	414.92%	1,817								

November 2015 Projection			
FY 2014-15	438	38.17%	121
FY 2015-16	561	28.08%	123
FY 2016-17	636	13.37%	75
FY 2017-18	706	11.01%	70

Monthly Average Growth Comparisons		R-1	S-1
FY 2015-16 1st Half		2	167
FY 2015-16 2nd Half		9	(155)
FY 2015-16 2nd Half to Reach R-1 Estimate			(156)
FY 2015-16		6	6
FY 2016-17 1st Half		3	4
FY 2016-17 2nd Half		9	10
FY 2016-17		6	7
FY 2017-18 1st Half		3	4
FY 2017-18 2nd Half		8	10
FY 2017-18		6	7

Actuals		
	Monthly Change	% Change
6-month average	167	58.95%
12-month average	95	32.00%
18-month average	65	21.90%
24-month average	53	17.59%

MAGI Parents/Caretakers to 68% FPL

One of the primary ways that adults have historically qualified for Medicaid is through Section 1931 of the federal Medicaid statute. Under Section 1931, families who were eligible for cash welfare assistance under the Aid to Families with Dependent Children program are still eligible for Medicaid even after the Aid to Families with Dependent Children program was discontinued. Aid to Families with Dependent Children was replaced by the Temporary Assistance for Needy Families program (referred to as Colorado Works) on July 16, 1996. Clients enrolled in the Temporary Assistance for Needy Families program are no longer automatically eligible for Medicaid. Therefore, the MAGI Parents/Caretakers to 68% FPL category includes adults who receive Medicaid under Section 1931 and those families who receive Temporary Aid to Needy Families financial assistance coupled with Medicaid. Also included in this category are adults receiving Transitional Medicaid. Transitional Medicaid is available to adults in families who have received 1931 Medicaid in three of the past six months and become ineligible due to an increase in earned income. Adults may receive Transitional Medicaid benefits for one year. In FY 2011-12, there were an average of 11,171 adults in this program. Although this program has been set to expire many times, it has been renewed regularly, though most recently it was made permanent.

Before 1999, caseload in this category was falling. Decreases in caseload can be attributed to economic expansion and effects of the Personal Responsibility Work and Opportunity Reconciliation Act, known as welfare reform. When welfare reform was instituted in Colorado in 1997, the link between cash assistance for welfare and Medicaid was broken. When the Department implemented this change into the Client Oriented Information Network eligibility data system, it was estimated that 46,006¹² clients had their cases closed in error. In reaction, the Tatum lawsuit was brought against the State. Starting in May 2001, the Department began to reinstate clients who inadvertently lost their Medicaid eligibility. This may help to explain why from 1997 to 1999 caseload fell, and may have contributed to a spike in caseload in FY 2001-02. For a complete explanation of the Tatum lawsuit, see the November 1, 2001 Budget Request, pages A-37 to A-38.

HB 05-1262 (Tobacco Tax bill) allows for expanding Medicaid eligibility to parents of children enrolled in either Medicaid or the Children's Basic Health Plan up to 60% of the federal poverty level (FPL). The increase in the percentage of allowable federal poverty level was implemented on July 1, 2006.

¹² Source: November 1, 2001 Budget Request, page A-37
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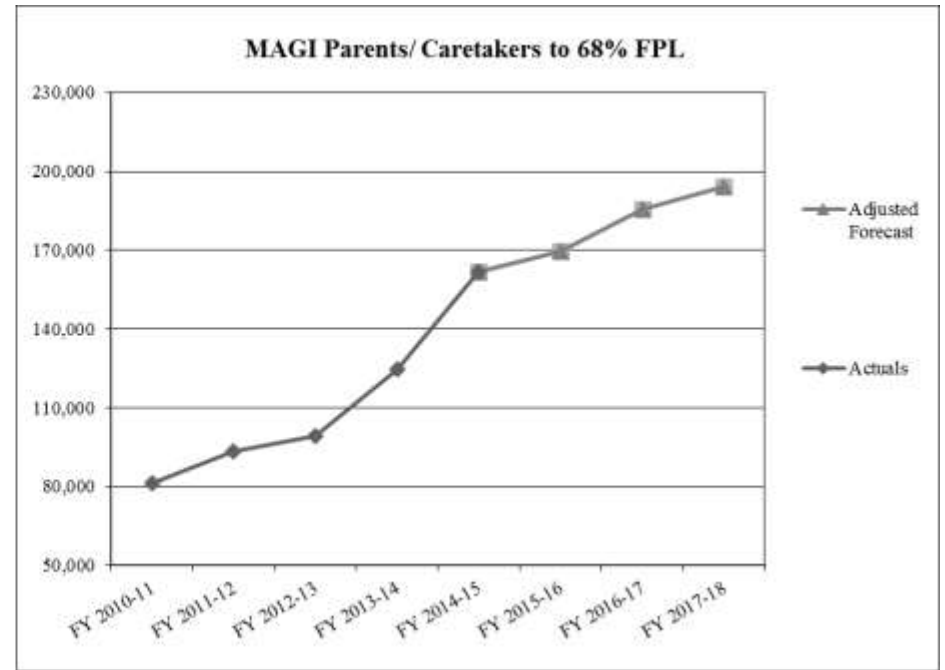
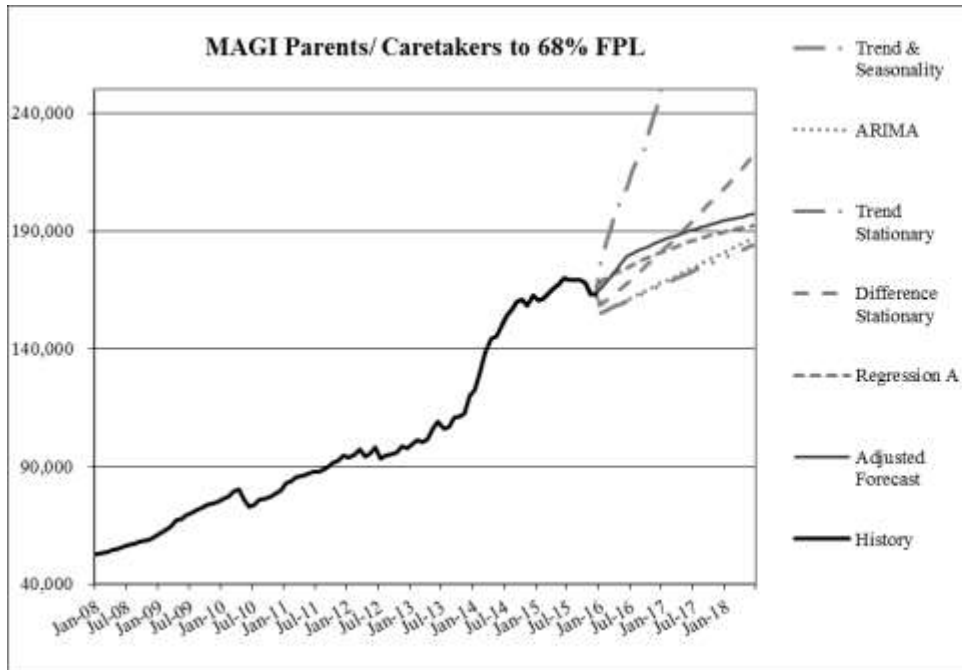
- (a) Individuals who meet the eligibility criteria for the aid to families with dependent children program pursuant to rules that were in effect on July 16, 1996;*
- (b) Families who meet the eligibility criteria for the aid to families with dependent children program established in rules that were in effect on July 16, 1996, and who subsequently would have become ineligible under such eligibility criteria because of increased earnings or increased hours of employment whose eligibility is specified for a period of time by the federal government;*
- (c) Qualified pregnant women . . . who meet the income resource requirements of the state's aid to families with dependent children program pursuant to rules that were in effect on July 16, 1996;*

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- (a) Individuals who would be eligible for but are not receiving cash assistance;*
- (d) Individuals who would be eligible for aid to families with dependent children if child care were paid from earnings;*
- (h) Persons who are eligible for cash assistance under the works program pursuant to section 26-2-706;*

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- (m) (I)(A) Parents of children who are eligible for the medical assistance program or the children's basic health plan, article 8 of this title, whose family income does not exceed a specified percent of the federal poverty level, adjusted for family size, as set by the state board by rule, which percentage shall be not less than one hundred percent;*

MAGI Parents/Caretakers to 68% FPL: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	PC to 68%	Constant, trend, monthly seasonal variables	21.97	21.40	0.8737
ARIMA	d(PC to 68%)	Constant, AR(3), MA(2)	18.26	18.1	0.1679
Trend Stationary	log(PC to 68%)	Constant and 4 lags of the dependent variable	-4.96	-5.1	0.9972
Difference Stationary	dlog(PC to 68%)	Constant and 3 lags of the dependent variable	-5	-5.11	0.1137
Regression A	PC to 68%	Constant, dummy for Oct 2013 forward, dlog(unemployment), Oct 2013 dummy * dlog(unemployment), and 1 lag of the dependent variable	18.31	18.18	0.9967
Avg ARIMA & Reg A			N/A	N/A	N/A
Adjusted Forecast			N/A	N/A	N/A

MAGI Parents/ Caretakers to 68% FPL: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	124,680	161,682	11.71%	180,615	18,933	3,271
ARIMA	124,680	161,682	0.49%	162,474	792	(760)
Trend Stationary	124,680	161,682	0.38%	162,296	614	(802)
Difference Stationary	124,680	161,682	2.06%	165,013	3,331	(167)
Regression A	124,680	161,682	4.69%	169,265	7,583	382
Avg ARIMA & Reg A	124,680	161,682	2.59%	165,870	4,188	(189)
Adjusted Forecast	124,680	161,682	4.97%	169,718	8,036	781

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	161,682	180,615	39.71%	252,337	71,722	6,796
ARIMA	161,682	162,474	3.31%	167,852	5,378	1,088
Trend Stationary	161,682	162,296	2.82%	166,873	4,577	1,006
Difference Stationary	161,682	165,013	9.81%	181,201	16,188	2,092
Regression A	161,682	169,265	6.85%	180,860	11,595	914
Avg ARIMA & Reg A	161,682	165,870	5.12%	174,363	8,493	1,001
Adjusted Forecast	161,682	169,718	9.31%	185,519	15,801	913

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	180,615	252,337	32.32%	333,892	81,555	6,796
ARIMA	162,474	167,852	7.78%	180,911	13,059	1,088
Trend Stationary	162,296	166,873	7.03%	178,604	11,731	952
Difference Stationary	165,013	181,201	14.95%	208,291	27,090	2,404
Regression A	169,265	180,860	4.76%	189,469	8,609	569
Avg ARIMA & Reg A	165,870	174,363	6.21%	185,191	10,828	829
Adjusted Forecast	169,718	185,519	4.65%	194,146	8,627	570

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Parents/Caretakers to 68% FPL: Trend Selections

FY 2015-16: 4.97%

FY 2016-17: 9.31%

FY 2017-18: 4.65%

MAGI Parents/Caretakers to 68% FPL: Justifications

- Average monthly caseload in FY 2014-15 for MAGI Parents/Caretakers to 68% FPL was 162,698 prior to the restatement in February 2016, which was 987 clients, or 0.60%, under what was forecasted in February 2015. In the first six months of FY 2015-16, average monthly caseload growth was negative 1,137. The current trend has been dampened from the November 2015 levels due to this information and based on analysis that indicates that the number of Coloradans eligible for Medicaid but not enrolled in Medicaid is quickly shrinking.
- Recent data indicate that economic conditions began improving towards the end of 2012 and current forecasts indicate that this trend should continue. This economic recovery, however, is not projected to have a negative impact on caseload. SB 13-200 Medicaid Expansion was implemented January 2014 and the MAGI conversion was implemented in October 2013. These two factors have changed the population considerably. The Department believes it will see moderate growth continue in FY 2015-16, which will dampen but remain relatively high in the out-years.
- The Department believes that economic conditions are largely responsible for the growth from FY 2008-09 to FY 2011-12, as the seasonally adjusted unemployment rate increased from a low of 3.5% in March 2007 to a high of 9.3% in February 2011 (source: Bureau of Labor Statistics). The unemployment rate has largely exceeded 8.0% since April 2009, and has only recently fallen below that level, in October 2012. Unemployment is projected to continue falling for the next three fiscal years, but a declining caseload is not expected to accompany the improving economy as Medicaid is undergoing an expansionary period.
- Beginning with the February 2016 forecast, the Department has restated historical values for this category back to January 2015 to correct the distribution of clients between MAGI Parents/Caretakers to 68% FPL, MAGI Parents/Caretakers 69-133% FPL, MAGI Adults, and the Breast and Cervical Cancer Treatment and Prevention Program.

MAGI Parents/ Caretakers to 68% FPL: Historical Caseload and Projections													
	Actuals	Monthly Change	% Change			Caseload	% Change	Level Change		Monthly Average Growth Actuals			
Dec-13	119,836	-	-		FY 2002-03	40,798	-	-		FY 2013-14 1st Half	1,844	1.67%	
Jan-14	122,548	2,712	2.26%		FY 2003-04	47,562	16.58%	6,764		FY 2013-14 2nd Half	4,952	3.78%	
Feb-14	129,759	7,211	5.88%		FY 2004-05	57,140	20.14%	9,578		FY 2013-14	3,398	2.73%	
Mar-14	138,165	8,406	6.48%		FY 2005-06	58,885	3.05%	1,745		FY 2014-15 1st Half	2,197	1.43%	
Apr-14	144,089	5,924	4.29%		FY 2006-07	55,850	-5.15%	(3,035)		FY 2014-15 2nd Half	1,198	0.73%	
May-14	145,211	1,122	0.78%		FY 2007-08	53,473	-4.26%	(2,377)		FY 2014-15	1,697	1.08%	
Jun-14	149,545	4,334	2.98%		FY 2008-09	61,874	15.71%	8,401					
Jul-14	153,837	4,292	2.87%		FY 2009-10	74,839	20.95%	12,965					
Aug-14	156,343	2,506	1.63%		FY 2010-11	81,114	8.38%	6,275					
Sep-14	159,740	3,397	2.17%		FY 2011-12	93,224	14.93%	12,110					
Oct-14	160,707	967	0.61%		FY 2012-13	99,392	6.62%	6,168					
Nov-14	158,375	(2,332)	-1.45%		FY 2013-14	124,680	25.44%	25,288		November 2015 Projection			
Dec-14	162,727	4,352	2.75%		FY 2014-15	161,682	29.68%	37,002		FY 2014-15	162,698	30.49%	38,018
Jan-15	160,406	(2,321)	-1.43%		FY 2015-16	169,718	4.97%	8,036		FY 2015-16	181,652	11.65%	18,954
Feb-15	161,480	1,074	0.67%		FY 2016-17	185,519	9.31%	15,801		FY 2016-17	194,331	6.98%	12,679
Mar-15	163,641	2,161	1.34%		FY 2017-18	194,146	4.65%	8,627		FY 2017-18	204,533	5.25%	10,202
Apr-15	165,835	2,194	1.34%										
May-15	167,183	1,348	0.81%										
Jun-15	169,912	2,729	1.63%										
Jul-15	169,316	(596)	-0.35%										
Aug-15	169,140	(176)	-0.10%										
Sep-15	169,127	(13)	-0.01%										
Oct-15	167,734	(1,393)	-0.82%										
Nov-15	162,975	(4,759)	-2.84%										
Dec-15	163,088	113	0.07%										
November 2015 Forecast													
Forecasted December 2015 Level													
Base trend from December 2015 level													
FY 2015-16	164,992	2.05%	3,310										

Actuals		
	Monthly Change	% Change
6-month average	(1,137)	-0.68%
12-month average	30	0.03%
18-month average	752	0.49%
24-month average	1,802	1.32%

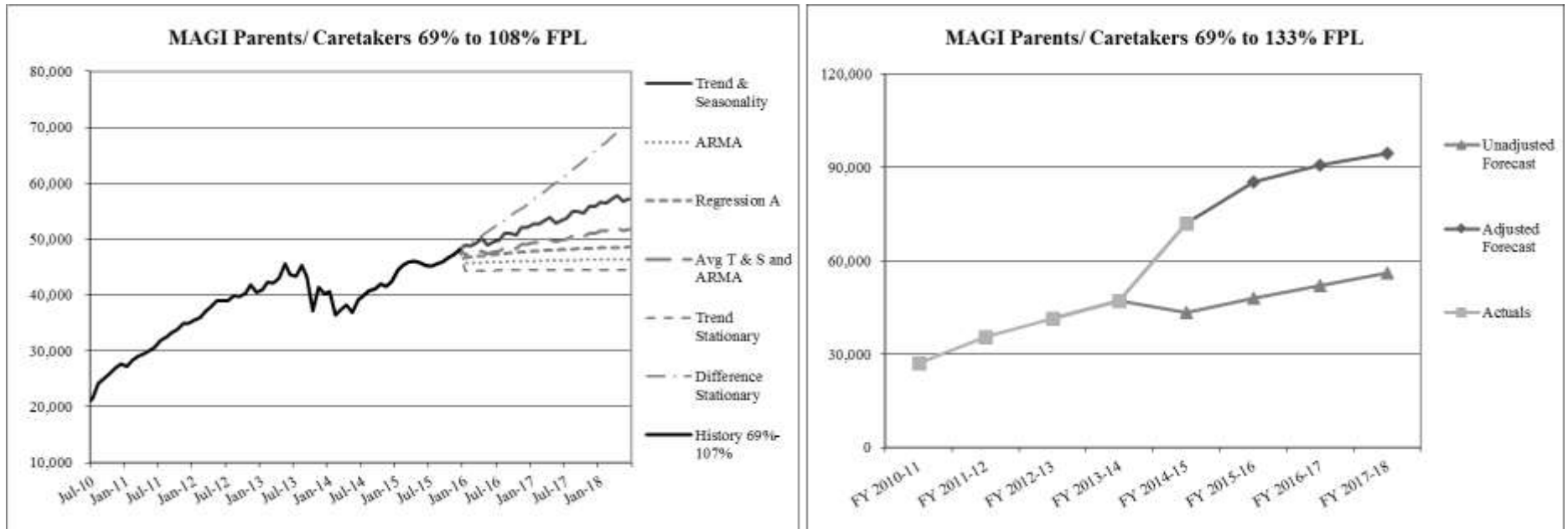
Monthly Average Growth Comparisons	R-1	S-1
FY 2015-16 1st Half	1,209	(1,137)
FY 2015-16 2nd Half	1,145	2,701
FY 2015-16 2nd Half to Reach R-1 Estimate		3,492
FY 2015-16	1,177	782
FY 2016-17 1st Half	970	1,013
FY 2016-17 2nd Half	887	811
FY 2016-17	925	912
FY 2017-18 1st Half	822	640
FY 2017-18 2nd Half	781	498
FY 2017-18	801	569

MAGI Parents/Caretakers 69% to 133% FPL

HB 09-1293 (Colorado Health Care Affordability Act) allows for expanding Medicaid eligibility to parents of children enrolled in either Medicaid or the Children's Basic Health Plan up to 100% of the federal poverty level (FPL). The increase in the percentage of allowable federal poverty level was implemented on May 1, 2010. Medicaid Expansion SB 13-200 further expanded this population to 133% and the Department has changed the category Expansion Adults to 100% FPL to MAGI Parents/Caretakers 69% to 133% FPL to track these clients.

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(m) Parents and caretaker relatives of children who are eligible for the medical assistance program whose family income does not exceed one hundred thirty-three percent of the federal poverty line, adjusted for family size;

MAGI Parents/Caretakers 69% to 133% FPL: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	PC 69-133%	Constant, trend, monthly seasonal variables	19.86	19.43	0.7387
ARMA	PC 69-133%	Constant, AR(3), MA(2)	17.5	17.3	0.9553
Regression A	PC 69-133%	Constant, Unemployment, and two lags of the dependent variable	17.45	17.31	0.9574
Avg T & S and ARMA					
Trend Stationary	log(PC 69-133%)	Constant and 2 lags of the dependent variable	-3.75	-3.85	0.9663
Difference Stationary	dlog(PC 69-133%)	Constant and 1 lag of the dependent variable	-3.60	-3.66	-0.0087

MAGI Parents/ Caretakers 69% to 133% FPL: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	32,794	43,355	10.37%	47,851	4,496	1,305
ARMA	32,794	43,355	6.38%	46,121	2,766	1,009
Regression A	32,794	43,355	7.73%	46,706	3,351	1,121
Avg T & S and ARMA	32,794	43,355	8.38%	46,988	3,633	1,157
Trend Stationary	32,794	43,355	4.72%	45,401	2,046	884
Difference Stationary	32,794	43,355	11.67%	48,415	5,060	1,521

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	43,355	47,851	8.90%	52,110	4,259	321
ARMA	43,355	46,121	-0.11%	46,070	(51)	27
Regression A	43,355	46,706	2.22%	47,743	1,037	73
Avg T & S and ARMA	43,355	46,988	4.48%	49,093	2,105	174
Trend Stationary	43,355	45,401	-2.11%	44,443	(958)	8
Difference Stationary	43,355	48,415	17.02%	56,655	8,240	730

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	47,851	52,110	7.39%	55,961	3,851	321
ARMA	46,121	46,070	0.51%	46,305	235	15
Regression A	46,706	47,743	1.30%	48,364	621	37
Avg T & S and ARMA	46,988	49,093	4.17%	51,140	2,047	168
Trend Stationary	45,401	44,443	0.14%	44,505	62	3
Difference Stationary	48,415	56,655	16.84%	66,196	9,541	853

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Parents/Caretakers 69% to 133% FPL: Trend Selections

FY 2015-16: 10.37%

FY 2016-17: 8.90%

FY 2017-18: 7.39%

MAGI Parents/Caretakers 69% to 133% FPL: Justifications and Monthly Projections

- Average monthly caseload in FY 2014-15 for MAGI Parents/Caretakers 69% to 133% FPL was 71,609 prior to the February 2016 restatement, which was 709 clients, or 1.00% over what was forecasted in February 2015. FY 2015-16 six-month actual average monthly growth was 1,419; the Department has brought up the forecast from the November 2015 estimates accordingly.
- There is one bottom line adjustment for this eligibility, the expansion from 100% FPL to 133% FPL under SB 13-200 Medicaid Expansion. In February 2015, the Department had estimated an average monthly caseload of 32,007 in FY 2014-15 to be attributable to this expansion. The average monthly caseload in FY 2014-15 for clients in this expansion group was 28,618. The average monthly caseload in the first half of FY 2015-16 was 36,625. This bottom-line adjustment has been altered accordingly.
- Beginning with the February 2016 forecast, the Department has restated historical values for this category back to January 2015 to correct the distribution of clients between MAGI Parents/Caretakers to 68% FPL, MAGI Parents/Caretakers 69-133% FPL, MAGI Adults, and the Breast and Cervical Cancer Treatment and Prevention Program.

SB 13-200 Medicaid Expansion Actuals	
Jul-14	21,051
Aug-14	22,011
Sep-14	22,748
Oct-14	23,570
Nov-14	25,346
Dec-14	27,899
Jan-15	32,386
Feb-15	33,639
Mar-15	34,114
Apr-15	33,334
May-15	33,540
Jun-15	33,774
Jul-15	34,351
Aug-15	35,405
Sep-15	36,104
Oct-15	35,942
Nov-15	38,550
Dec-15	39,399

MAGI Parents/ Caretakers 69% to 133% FPL: Historical Caseload and Projections											
	Actuals	Monthly Change	% Change		Caseload	% Change	Level Change		Monthly Average Growth Actuals		
Dec-13	40,228	-	-	FY 2002-03	-	-	-	FY 2013-14 1st Half	(562)	-1.01%	
Jan-14	40,659	431	1.07%	FY 2003-04	-	-	-	FY 2013-14 2nd Half	3,054	6.82%	
Feb-14	51,272	10,613	26.10%	FY 2004-05	-	-	-	FY 2013-14	1,246	2.90%	
Mar-14	53,923	2,651	5.17%	FY 2005-06	-	-	-	FY 2014-15 1st Half	1,957	3.10%	
Apr-14	55,524	1,601	2.97%	FY 2006-07	-	-	-	FY 2014-15 2nd Half	1,458	2.03%	
May-14	54,497	(1,027)	-1.85%	FY 2007-08	-	-	-	FY 2014-15	1,707	2.57%	
Jun-14	58,549	4,052	7.44%	FY 2008-09	-	-	-				
Jul-14	60,981	2,432	4.15%	FY 2009-10	3,238	-	3,238				
Aug-14	62,711	1,730	2.84%	FY 2010-11	27,167	739.01%	23,929				
Sep-14	63,847	1,136	1.81%	FY 2011-12	35,461	30.53%	8,294				
Oct-14	65,552	1,705	2.67%	FY 2012-13	41,545	17.16%	6,084				
Nov-14	66,811	1,259	1.92%	FY 2013-14	32,794	-21.06%	(8,751)				
Dec-14	70,288	3,477	5.20%	FY 2014-15	43,355	32.20%	10,561				
Jan-15	76,807	6,519	9.27%	FY 2015-16	47,851	10.37%	4,496				
Feb-15	78,910	2,103	2.74%	FY 2016-17	52,110	8.90%	4,259				
Mar-15	80,068	1,158	1.47%	FY 2017-18	55,961	7.39%	3,851				
Apr-15	79,437	(631)	-0.79%								
May-15	79,417	(20)	-0.03%								
Jun-15	79,036	(381)	-0.48%								
Jul-15	79,502	466	0.59%								
Aug-15	81,001	1,499	1.89%								
Sep-15	82,010	1,009	1.25%								
Oct-15	82,642	632	0.77%								
Nov-15	85,784	3,142	3.80%								
Dec-15	87,548	1,764	2.06%								
November 2015 Forecast				SB 13-200 Expansion Adjustment - Over 108% FPL				November 2015 Projection			
Forecasted December 2015 Level				FY 2014-15				FY 2014-15			
				FY 2015-16				FY 2015-16			
				FY 2016-17				FY 2016-17			
				FY 2017-18				FY 2017-18			
Base trend from December 2015 level				February 2016 Projections After Adjustments				November 2015 Projections After Adjustments			
FY 2015-16				FY 2014-15				FY 2014-15			
				FY 2015-16				FY 2015-16			
				FY 2016-17				FY 2016-17			
				FY 2017-18				FY 2017-18			
				Actuals				Monthly Average Growth Comparisons			
								R-1			
								S-1			
								FY 2015-16 1st Half			
								FY 2015-16 2nd Half			
								FY 2015-16 2nd Half to Reach R-1 Estimate			
								FY 2015-16			
								FY 2016-17 1st Half			
								FY 2016-17 2nd Half			
								FY 2016-17			
								FY 2017-18 1st Half			
								FY 2017-18 2nd Half			
								FY 2017-18			

MAGI Adults

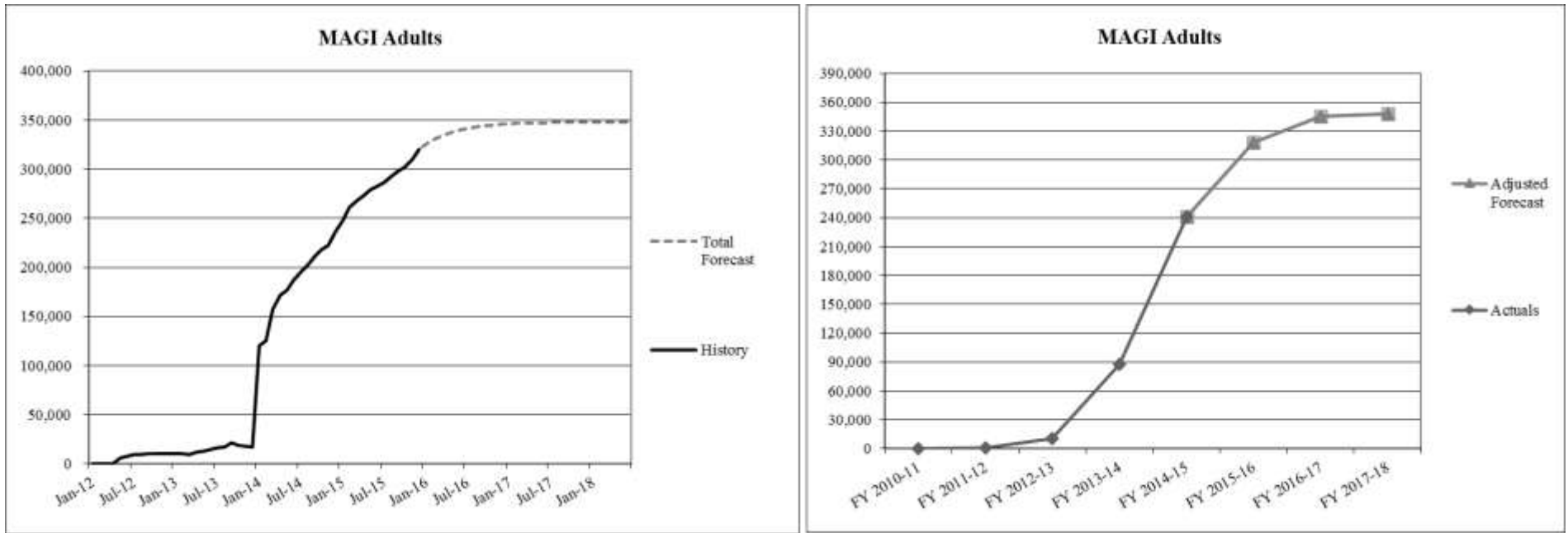
HB 09-1293 (Colorado Health Care Affordability Act) authorizes the Department to expand Medicaid eligibility to Adults without Dependent Children (AwDC), now referred to as MAGI Adults, age 19 to 65 who are not eligible for Medicaid or Medicare with income up to 133% of the federal poverty level (FPL). The Department implemented the first stage of this expansion in May 2012, in which enrollment is initially opened to individuals with income up to 10% FPL and enrollment was limited to 10,000.

Due to the availability of funding in the FFY 2012-13 Hospital Provider Fee model, the Department is planned to gradually increase the number of MAGI Adults served under 10% FPL in FY 2012-13 and FY 2013-14. The Department intended to enroll an additional 3,000 individuals from the wait list in April 2013, followed by 1,250 additional individuals per month from May through September 2013, setting the enrollment cap at 19,250 clients.

Beginning in January 2014, this enrollment cap was lifted. Aggressive growth has been seen for this eligibility since the implementation of Medicaid expansion.

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(p) Subject to federal approval, adults who are childless or without a dependent child in the home, as described in section 1902 (a) (10) (A) (i) (VIII) of the social security act, 42 U.S.C. sec. 1396a, who have attained nineteen years of age but have not attained sixty-five years of age, and whose family income does not exceed one hundred thirty-three percent of the federal poverty line, adjusted for family size;

MAGI Adults: Model Results

MAGI Adults: Model Results¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	87,243	241,392	31.67%	317,851	76,459	28,343

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	241,392	317,851	8.70%	345,496	27,645	585

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	317,851	345,496	0.63%	347,685	2,189	41

¹ Bold denotes Trend Selection² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Adults: Trend Selections

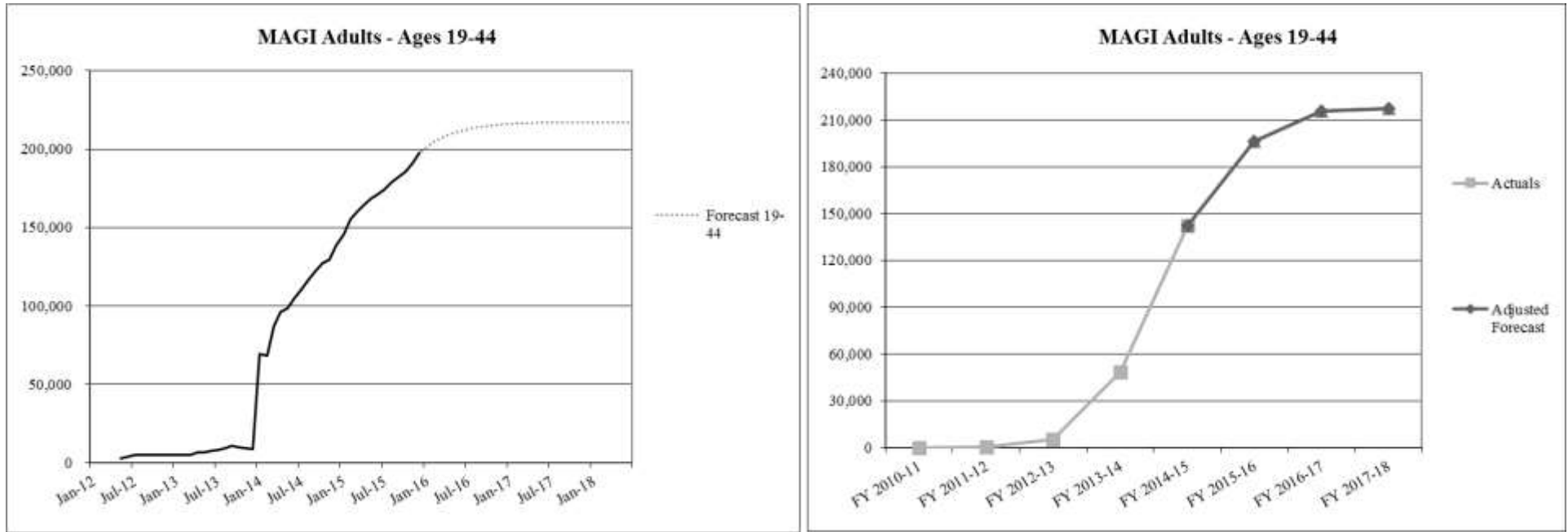
FY 2015-16: 31.67%

FY 2016-17: 8.70%

FY 2017-18: 0.63%

MAGI Adults: Justifications and Monthly Projections

- Average monthly caseload in FY 2014-15 for MAGI Adults was 240,758 prior to the February 2016 restatement, which was 396 clients, or 0.16% above what was forecasted in February 2015. The average monthly growth in the first half of FY 2015-16 has continued to be higher than anticipated, at 6,197. The Department has increased the caseload estimate in FY 2015-16 slightly to account for this, but does believe these growth trends will begin to slow down in FY 2016-17 and FY 2017-18.
- Beginning with the November 2015 forecast, the Department has selected models separately for the age group 19-44 and the age group 45-64. See below for more details.
- Beginning with the February 2016 forecast, the Department has restated historical values for this category back to January 2015 to correct the distribution of clients between MAGI Parents/Caretakers to 68% FPL, MAGI Parents/Caretakers 69-133% FPL, MAGI Adults, and the Breast and Cervical Cancer Treatment and Prevention Program.

MAGI Adults, Age 19 to 44: Model Results

MAGI Adults Ages 19-44: Model Results¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change²
Forecast 1	48,325	142,485	37.73%	196,245	53,760	3,358

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change²
Forecast 1	142,485	196,245	9.83%	215,536	19,291	415

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change²
Forecast 1	196,245	215,536	0.72%	217,088	1,552	29

¹ Bold denotes Trend Selection² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Adults, Age 19 to 44: Trend Selections

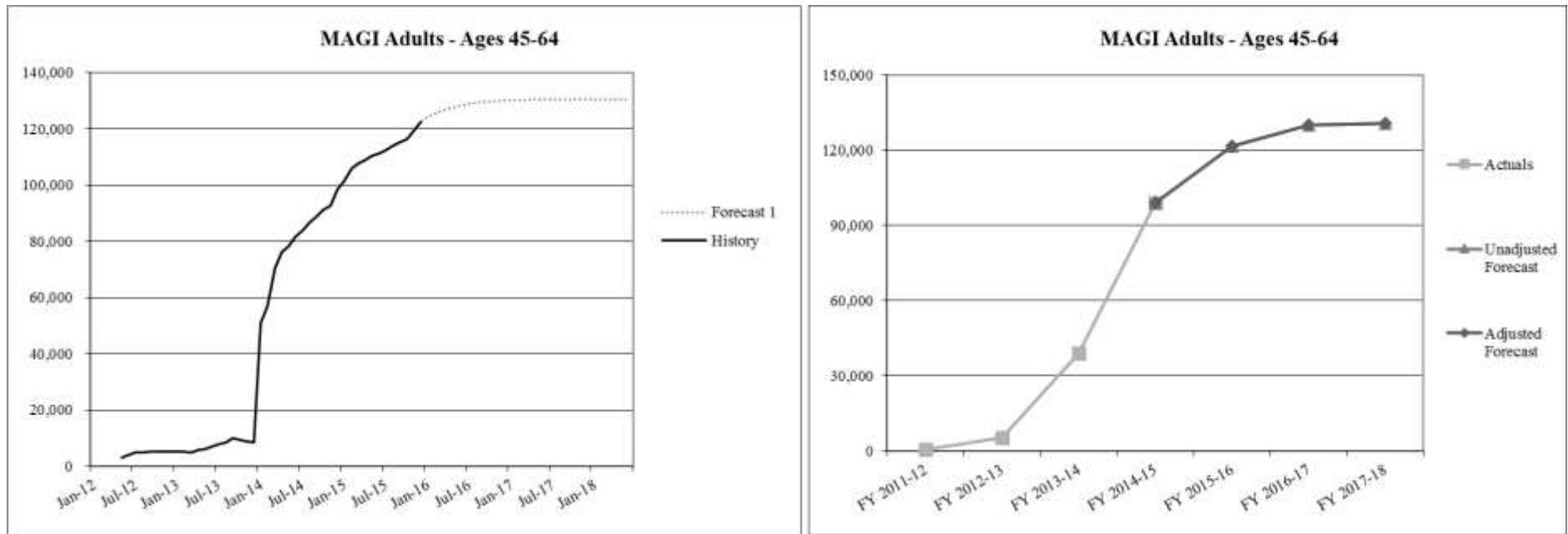
FY 2015-16: 37.73%

FY 2016-17: 9.83%

FY 2017-18: 0.72%

MAGI Adults, Age 19 to 44: Justifications and Monthly Projections

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with two age group sub-categories, to increase forecast accuracy. For the first half of FY 2015-16, caseload has continued to grow quickly with an average monthly growth of 4,335 clients. The Department has adjusted its forecast upward from the November 2015 level accordingly.

MAGI Adults, Age 45 to 64: Model Results

MAGI Adults Ages 45-64: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Forecast 1	38,918	98,907	22.95%	121,606	22,699	1,426

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Forecast 1	98,907	121,606	6.87%	129,960	8,354	169

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Forecast 1	121,606	129,960	0.49%	130,597	637	12

¹ Bold denotes Trend Selection² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Adults, Age 45-64: Trend Selections

FY 2015-16: 22.95%

FY 2016-17: 6.87%

FY 2017-18: 0.49%

MAGI Adults, Age 45-64: Justifications and Monthly Projections

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with two age group sub-categories, to increase forecast accuracy. Average monthly growth over the first half of FY 2015-16 is 1,863 clients; the Department has increased the forecast in comparison to the November 2015 estimates accordingly.

MAGI Adults Ages 45-64: Historical Caseload and Projections

	Actuals	Monthly Change	% Change		Caseload	% Change	Level Change		Monthly Average Growth Actuals		
Dec-13	8,471	-	-		FY 2002-03	-	-	-	FY 2013-14 1st Half	232	3.46%
Jan-14	50,816	42,345	499.88%		FY 2003-04	-	-	-	FY 2013-14 2nd Half	12,189	91.80%
Feb-14	56,921	6,105	12.01%		FY 2004-05	-	-	-	FY 2013-14	6,210	47.63%
Mar-14	70,451	13,530	23.77%		FY 2005-06	-	-	-	FY 2014-15 1st Half	2,769	3.15%
Apr-14	76,021	5,570	7.91%		FY 2006-07	-	-	-	FY 2014-15 2nd Half	2,189	2.12%
May-14	78,311	2,290	3.01%		FY 2007-08	-	-	-	FY 2014-15	2,479	2.63%
Jun-14	81,603	3,292	4.20%		FY 2008-09	-	-	-			
Jul-14	84,021	2,418	2.96%		FY 2009-10	-	-	-			
Aug-14	86,514	2,493	2.97%		FY 2010-11	-	-	-			
Sep-14	88,861	2,347	2.71%		FY 2011-12	595	-	595			
Oct-14	91,193	2,332	2.62%		FY 2012-13	5,373	803.03%	4,778			
Nov-14	92,748	1,555	1.71%		FY 2013-14	38,918	624.33%	33,545			
Dec-14	98,219	5,471	5.90%		FY 2014-15	98,907	154.14%	59,989			
Jan-15	101,422	3,203	3.26%		FY 2015-16	121,606	22.95%	22,699			
Feb-15	105,792	4,370	4.31%		FY 2016-17	129,960	6.87%	8,354			
Mar-15	107,674	1,882	1.78%		FY 2017-18	130,597	0.49%	637			
Apr-15	108,864	1,190	1.11%								
May-15	110,250	1,386	1.27%								
Jun-15	111,355	1,105	1.00%								
Jul-15	112,468	1,113	1.00%								
Aug-15	114,043	1,575	1.40%								
Sep-15	115,073	1,030	0.90%								
Oct-15	116,319	1,246	1.08%								
Nov-15	119,317	2,998	2.58%								
Dec-15	122,531	3,214	2.69%								

Actuals		
	Monthly Change	% Change
6-month average	1,863	1.61%
12-month average	2,026	1.87%
18-month average	2,274	2.29%
24-month average	4,753	24.67%

November 2015 Projection			
FY 2014-15	99,339	155.25%	60,421
FY 2015-16	113,376	14.13%	14,037
FY 2016-17	116,006	2.32%	2,630
FY 2017-18	117,178	1.01%	1,172

Monthly Average Growth Comparisons		R-1	S-1
FY 2015-16 1st Half		649	1,863
FY 2015-16 2nd Half		254	988
FY 2015-16 2nd Half to Reach R-1 Estimate			(960)
FY 2015-16		451	1,425
FY 2016-17 1st Half		151	268
FY 2016-17 2nd Half		115	72
FY 2016-17		133	170

November 2015 Projection			
FY 2014-15	99,339	155.25%	60,421
FY 2015-16	113,376	14.13%	14,037
FY 2016-17	116,006	2.32%	2,630
FY 2017-18	117,178	1.01%	1,172

Actuals		
	Monthly Change	% Change
6-month average	1,863	1.61%
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FY 2015-16 2nd Half to Reach R-1 Estimate		(960)
FY 2015-16	451	1,425
FY 2016-17 1st Half	151	268
FY 2016-17 2nd Half	115	72
FY 2016-17	133	170
FY 2017-18 1st Half	83	19
FY 2017-18 2nd Half	62	5
FY 2017-18	73	12

November 2015 Forecast	
Forecasted December 2015 Level	113,545

Base trend from December 2015 level			
FY 2015-16	119,578	20.90%	20,671

Breast and Cervical Cancer Program

The Breast and Cervical Cancer Treatment Program (BCCP) was authorized under SB 01S2-012 and began enrolling eligible women in July 2002. Women under this optional coverage group were screened using the Centers for Disease Control's national breast and cervical cancer early detection and prevention guidelines, and found to have breast or cervical cancer. These women are between the ages of 40 and 64, uninsured, and otherwise not eligible for Medicaid. The Colorado Department of Public Health and Environment administers the screening program as a grantee of the Centers of Disease Control. Regulations for the nationwide screening program indicate that the program is for low-income women, which the Department of Public Health and Environment has interpreted to be less than 250% of the federal poverty level. To date, all 50 states have approved the option of covering these women under Medicaid.

25.5-5-308 (1), C.R.S.

The general assembly hereby finds and declares that breast and cervical cancer are significant health problems for women in this state. The general assembly further finds and declares that these cancers can and should be prevented and treated whenever possible. It is therefore the intent of the general assembly to enact this section to provide for the prevention and treatment of breast and cervical cancer to women where it is not otherwise available for reasons of cost.

25.5-5-308 (2), C.R.S.

As used in this section, unless the context otherwise requires:

(a) "Eligible person" means a person who:

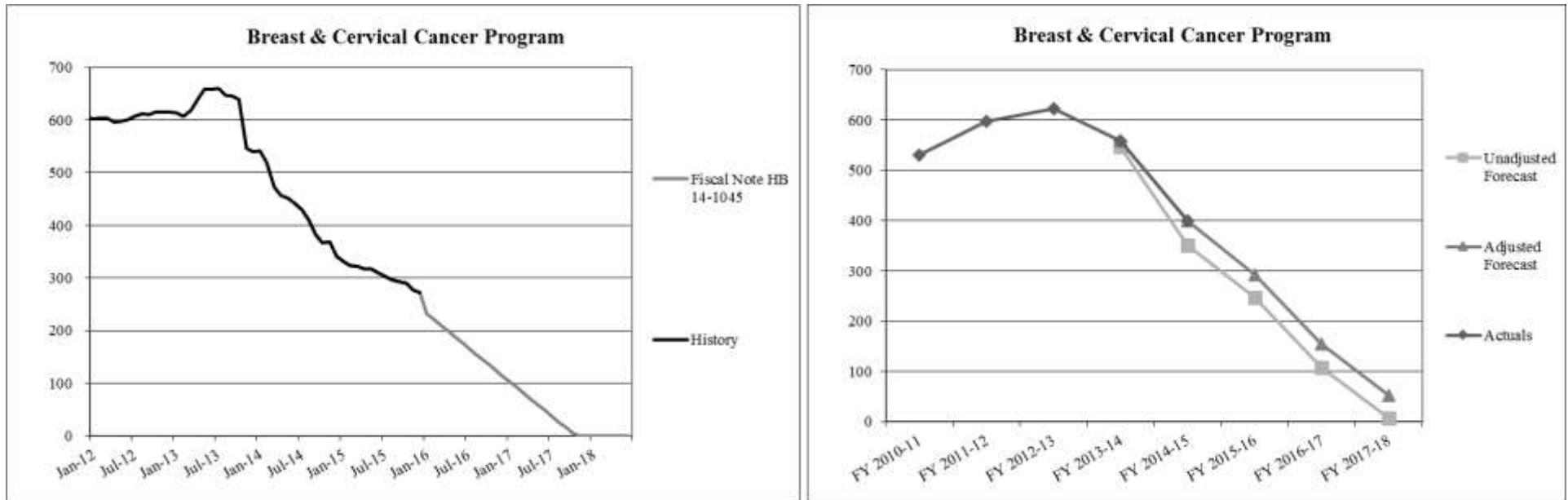
(I)(A) Has been screened for breast or cervical cancer under the centers for disease control and prevention's national breast and cervical cancer early detection program established under Title XV of the federal "Public Health Service Act", 42 U.S.C. sec. 300k et seq., in accordance with the requirements of section 1504 of such act, 42 U.S.C. sec. 300n, on or after July 1, 2002, unless the centers for Medicare and Medicaid services approves the state department's amendment to the medical assistance plan and the state department is able to implement the breast and cervical cancer prevention and treatment program before such date, then the person must be screened on or after the implementation date of such program; or

(B) Has been screened for breast or cervical cancer by a provider who does not receive funds through the centers for disease control and prevention's national breast and cervical cancer early detection program but whose screening activities are recognized by the department of public health and environment as part of screening activities under the centers for disease control and prevention's national breast and cervical cancer early detection program. This sub-subparagraph (B) shall apply only if the state department receives authority to receive federal financial participation for such persons. The state department shall request authority for federal financial participation when the state department determines that the amount of moneys accumulated in the eligibility expansion account created in paragraph (c) of subsection (8) of this section, including any amounts pledged or promised through a gift, grant, or donation, is sufficient to sustain the projected number of additional persons who would be eligible for the program under this sub-subparagraph (B).

(II) Has been diagnosed with breast or cervical cancer and is in need of breast or cervical cancer treatment;

(III) Has not yet attained sixty-five years of age; and

(IV) Does not have any creditable coverage as defined under federal law pursuant to 42 U.S.C. sec. 300gg (c).

Breast and Cervical Cancer Program: Model Results

Breast and Cervical Cancer Program: Model Results¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change²
Fiscal Note HB 14-1045	547	351	-29.68%	247	(104)	(1)

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change²
Fiscal Note HB 14-1045	351	247	-56.28%	108	(139)	(11)

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change²
Fiscal Note HB 14-1045	247	108	-93.52%	7	(101)	(4)

¹ Bold denotes Trend Selection² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Breast and Cervical Cancer Program: Attrition Rate for Population Below 133% FPL

FY 2015-16: -29.68%

FY 2016-17: -56.28%

FY 2017-18: -93.52%

Breast and Cervical Cancer Program: Trend Selections for Population Above 133% FPL

FY 2015-16: -6.12%

FY 2016-17: 0.00%

FY 2017-18: 0.00%

Breast and Cervical Cancer Program: Justifications

- Average monthly caseload in FY 2014-15 for BCCP was 398 prior to the February 2016 restatement, which was 19 clients, or 5.01%, over what was forecasted in February 2015. For the first half of FY 2015-16, caseload in this category has fallen by 6 clients per month on average. The forecast has been adjusted accordingly.
- The expansion in MAGI Adults has resulted in many new clients that would have formerly been placed in BCCP now being placed in MAGI Adults. The Department expects declines to continue for clients with FPL below 133%.
- There is one adjustment for this population, which refers to the site expansion that allows women to be screened by providers other than those under the centers for disease control and prevention's national breast and cervical cancer early detection program (CRS 25.5-5-308 (a) (I) (B)). This was calculated in accordance with analyses provided by Women's Wellness Connection (WWC) for the February 2014 forecast. These calculations have been adjusted by the projected proportion of women that will be above 133% FPL.
- This program receives ongoing Tobacco Tax funding to subcontract with clinics that provide screenings.
- Beginning January 2005, the reported caseload decreased dramatically because of an issue within the Medicaid Management Information System (MMIS) that was used to report the data. Because of this issue within the MMIS, the Department obtained a caseload report directly from raw data in the Colorado Benefits Management System. This report was used from July 2005 through March 2006. All subsequent monthly caseload data are obtained from the MMIS report that is used to report all other categories of Medicaid caseload. The caseload counts for the six months from January through June 2005 were left as originally reported, which explains the decrease seen in FY 2004-05.
- Beginning with the February 2016 forecast, the Department has restated historical values for this category back to January 2015 to correct the distribution of clients between MAGI Parents/Caretakers to 68% FPL, MAGI Parents/Caretakers 69-133% FPL, MAGI Adults, and the Breast and Cervical Cancer Treatment and Prevention Program.

Breast and Cervical Cancer Program: Historical Caseload and Projections											
	Actuals	Monthly Change	% Change		Caseload	% Change	Level Change		Monthly Average Growth Actuals		
Dec-13	540	-	-	FY 2002-03	47	-	-	FY 2013-14 1st Half	(20)	-3.12%	
Jan-14	543	3	0.56%	FY 2003-04	105	123.40%	58	FY 2013-14 2nd Half	(16)	-3.24%	
Feb-14	527	(16)	-2.95%	FY 2004-05	87	-17.14%	(18)	FY 2013-14	(18)	-3.18%	
Mar-14	498	(29)	-5.50%	FY 2005-06	188	116.09%	101	FY 2014-15 1st Half	(17)	-4.15%	
Apr-14	492	(6)	-1.20%	FY 2006-07	228	21.28%	40	FY 2014-15 2nd Half	(6)	-1.67%	
May-14	488	(4)	-0.81%	FY 2007-08	270	18.42%	42	FY 2014-15	(11)	-2.91%	
Jun-14	477	(11)	-2.25%	FY 2008-09	317	17.41%	47				
Jul-14	472	(5)	-1.05%	FY 2009-10	425	34.07%	108				
Aug-14	463	(9)	-1.91%	FY 2010-11	531	24.94%	106				
Sep-14	439	(24)	-5.18%	FY 2011-12	597	12.43%	66				
Oct-14	424	(15)	-3.42%	FY 2012-13	623	4.36%	26				
Nov-14	425	1	0.24%	FY 2013-14	547	-12.16%	(76)				
Dec-14	396	(29)	-6.82%	FY 2014-15	351	-35.82%	(196)				
Jan-15	379	(17)	-4.29%	FY 2015-16	247	-29.68%	(104)				
Feb-15	368	(11)	-2.90%	FY 2016-17	108	-56.28%	(139)				
Mar-15	368	0	0.00%	FY 2017-18	7	-93.52%	(101)				
Apr-15	361	(7)	-1.90%								
May-15	358	(3)	-0.83%								
Jun-15	352	(6)	-1.68%								
Jul-15	344	(8)	-2.27%								
Aug-15	342	(2)	-0.58%								
Sep-15	342	0	0.00%								
Oct-15	336	(6)	-1.75%								
Nov-15	324	(12)	-3.57%								
Dec-15	318	(6)	-1.85%								
November 2015 Forecast				Clients over 133% FPL				November 2015 Projection Before Adjustments			
Forecasted December 2015 Level			288	FY 2014-15				FY 2014-15			
Base trend from December 2015 level				FY 2015-16				FY 2015-16			
FY 2015-16				FY 2016-17				FY 2016-17			
	326	-18.46%	(74)	FY 2017-18				FY 2017-18			
				February 2015 Projections After Adjustments				November 2015 Projection After Adjustments			
				FY 2014-15				FY 2014-15			
				FY 2015-16				FY 2015-16			
				FY 2016-17				FY 2016-17			
				FY 2017-18				FY 2017-18			
				Actuals				Monthly Average Growth Comparisons			
				6-month average				FY 2015-16 1st Half			
				12-month average				FY 2015-16 2nd Half			
				18-month average				FY 2015-16 2nd Half to Reach R-1 Estimate			
				24-month average				FY 2015-16			
								FY 2016-17 1st Half			
								FY 2016-17 2nd Half			
								FY 2016-17			
								FY 2017-18 1st Half			
								FY 2017-18 2nd Half			
								FY 2017-18			

MAGI Eligible Children

One of the primary ways that children qualify for Medicaid is through Section 1931 of the federal Medicaid statute. Under Section 1931, families who were eligible for cash welfare assistance under the Aid to Families with Dependent Children program are still eligible for Medicaid even after the Aid to Families with Dependent Children program was discontinued. Aid to Families with Dependent Children was replaced by the Temporary Assistance for Needy Families welfare program (referred to as Colorado Works) on July 16, 1996, and clients under the Temporary Assistance for Needy Families program were no longer automatically eligible for Medicaid. Per HB 09-1293 children enrolled in Medicaid will receive continuous eligibility for twelve months.

This category also includes children on Transitional Medicaid. Transitional Medicaid is available to children in families who have received 1931 Medicaid three of the past six months and become ineligible due to an increase in earned income. Children receive Transitional Medicaid benefits for one year. In FY 2013-14, there were an average of 16,335 children on Transitional Medicaid. Although this program has been set to expire many times, it was most recently made permanent.

Children who are born to women enrolled in the Baby and Kid Care program (MAGI Eligible Pregnant Adults) are also included in this category. Between 1986 and 1991, Congress extended Medicaid to new groups of pregnant women and children. Referred to as Baby and Kid Care in Colorado, this program was authorized through the Medicare Catastrophic Coverage Act of 1988. The program enrolls Baby Care women (see the MAGI Eligible Pregnant Adults section of this document for information on these women) and Kid Care children. Kid Care children are born to women with incomes up to 142% of the federal poverty level. The Baby and Kid Care Program serves a much higher income level than the 1931 Families program, and pregnant mothers are not subject to resource or asset limitations to qualify for the program. Moreover, the Baby and Kid Care Program has never had a cash-assistance component and was unaffected by welfare reform in 1996.

In previous years, this caseload was adjusted to include Ribicoff children. Ribicoff children were children aged six to 19, with incomes up to 100% of the federal poverty level with resources limited to \$1,000 who were born after September 30, 1983. Beginning with age six, a new age cohort was phased-in each year. Caseload was adjusted upwards to include these children. However, the final cohort of children was phased-in during FY 2002-03, so no further caseload adjustments are needed. Therefore, the MAGI Eligible Children category includes: children in families who receive Medicaid under Section 1931, children in families who receive Temporary Aid to Needy Families financial assistance coupled with Medicaid, children who are eligible for Kid Care, Ribicoff children, and children who receive Transitional Medicaid.

SB 11-008 expanded Medicaid eligibility to children of all ages with incomes up to 133% FPL (142% FPL after October 2013 due to income disregards for MAGI) in January 2013. Children ages 6 and up with incomes from 108% FPL to 142% FPL with no other insurance are considered SB 11-008 eligible children and receive the enhanced CHP+ federal match, since these children would have otherwise been eligible for CHP+. There are, however, children that do not receive the enhanced CHP+ federal match that are over age 6 with incomes from 108% FPL to 142% FPL, these are the children with other insurance that would not have otherwise qualified for CHP+.

25.5-5-101 (1), C.R.S.

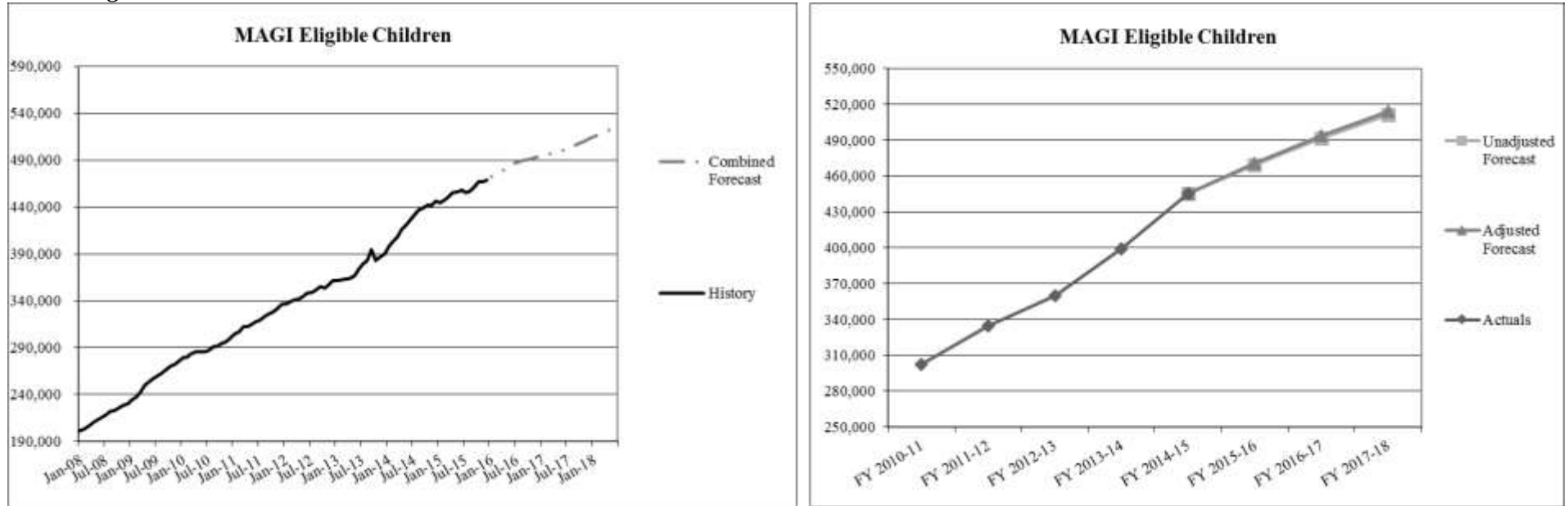
- (a) Individuals who meet the eligibility criteria for the aid to families with dependent children program pursuant to rules that were in effect on July 16, 1996;*
- (b) Families who meet the eligibility criteria for the aid to families with dependent children program established in rules that were in effect on July 16, 1996, and who subsequently would have become ineligible under such eligibility criteria because of increased earnings or increased hours of employment whose eligibility is specified for a period of time by the federal government;*
- (c) Qualified pregnant women, and children under the age of seven, who meet the income resource requirements of the state's aid to families with dependent children program pursuant to rules that were in effect on July 16, 1996;*
- (d) A newborn child born of a woman who is categorically needy. Such child is deemed Medicaid-eligible on the date of birth and remains eligible for one year so long as the woman remains categorically needy and the child is a member of her household;*
- (m) Low-income pregnant women, and children through the age of six, whose income is at or below a certain percentage of the federal poverty level as determined by the federal government;*

25.5-5-201 (1), C.R.S.

- (a) Individuals who would be eligible for but are not receiving cash assistance;*
- (d) Individuals who would be eligible for aid to families with dependent children if child care were paid from earnings;*
- (e) Individuals under the age of twenty-one who would be eligible for aid to families with dependent children but do not qualify as dependent children;*
- (h) Persons who are eligible for cash assistance under the works program pursuant to section 26-2-706, C.R.S.;*

25.5-5-205 (3), C.R.S.

- (a) On and after April 1, 1990, children under the age of six years and pregnant women shall be eligible for benefits under the baby and kid care program... (b) The percentage level of the federal poverty line, as defined pursuant to 42 U.S.C. sec. 9902 (2), used to determine eligibility under this subsection (3) shall be one hundred thirty-three percent...;*
- (c) (I) On and after September 1, 2011, children born after September 30, 1983, who have attained six years of age but have not attained nineteen years of age shall be eligible for benefits under the baby and kid care program. For the purpose of eligibility under this paragraph (c) only, such individual's family income shall exceed the eligibility threshold used in determining eligibility for aid to families with dependent children assistance pursuant to rules in effect on July 16, 1996, and the method adopted by the state board pursuant to sections 25.5-5-101 (4) (c) and 25.5-5-201 (5) (c), but shall not exceed the equivalent of the percentage level of the federal poverty line that is specified pursuant to subparagraph (II) of this paragraph (c).*
- (II) The percentage level of the federal poverty line, as defined pursuant to 42 U.S.C. sec. 9902 (2), used to determine eligibility under this paragraph (c) shall be equivalent to the family income eligibility threshold applied to children under six years of age pursuant to paragraph (b) of this subsection (3).*

MAGI Eligible Children: Model Results

MAGI Eligible Children: Model Results¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	399,032	445,723	5.32%	469,428	23,705	4,459

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	445,723	469,428	4.77%	491,828	22,400	1,174

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	469,428	491,828	4.00%	511,491	19,663	2,055

¹ Bold denotes Trend Selection² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Eligible Children: Trend Selections

FY 2015-16: 5.66%
FY 2016-17: 4.93%
FY 2017-18: 4.01%

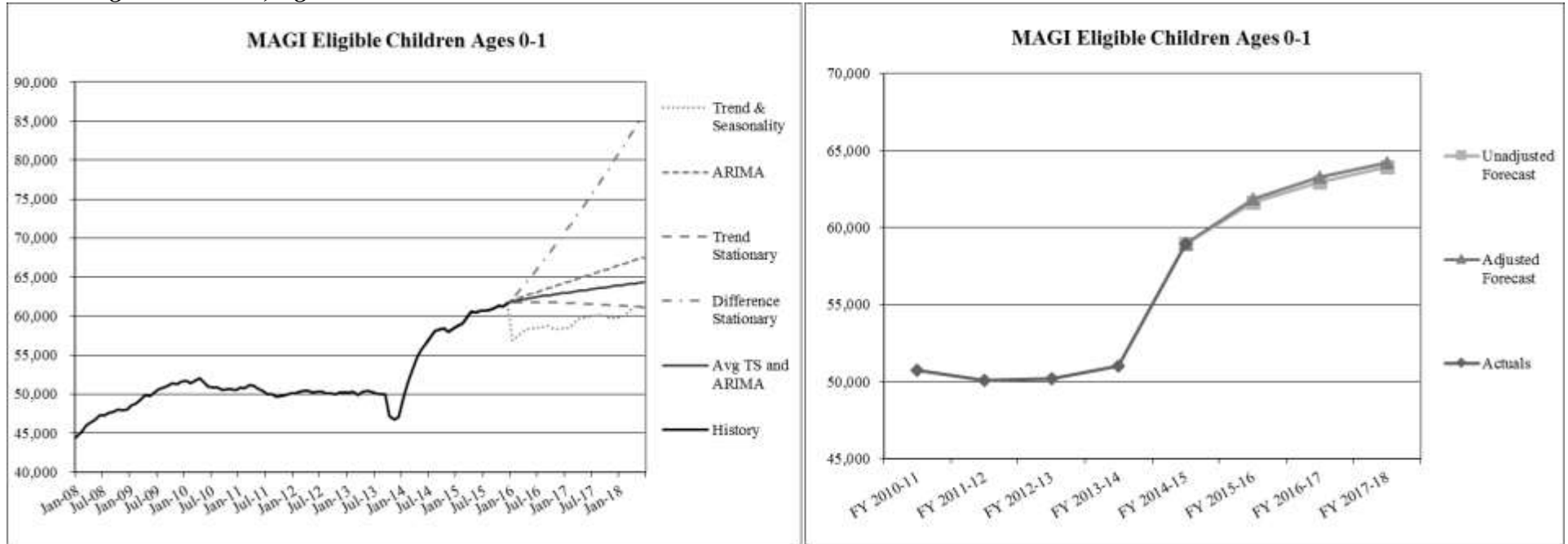
MAGI Eligible Children: Justifications

- Average monthly caseload in FY 2014-15 for MAGI Eligible Children was 445,722 prior to the February 2016 restatement, which was 2,604 clients, or 5.81%, under what was forecasted in February 2015. The forecasts have been altered accordingly; beginning with the November 2015 forecast, the Department has selected models separately for the age group 0-1, the age group 2-5, and the age group 6-18, based on the age groups for CHP+ rates. See below for more details.
- Continuous eligibility was implemented March 2014 for this population. Rather than accounting for continuous eligibility as a bottom line adjustment, the Department has selected aggressive trends to account for the additional member months. The Department believes that the reduction in clients leaving Medicaid is having a significant effect on most of the models seen above, and assumes the trend selected will be able predict the changes in enrollment due to continuous eligibility. The Department will continue to research the effect that continuous eligibility has on this population.
- The Department identified a data error for July 2015 forward that incorrectly assigned children to eligibility categories for individuals with disabilities, based on their parents' disability status. This error incorrectly moved clients from Eligible Children and Children's Basic Health Plan (CHP) to Individuals to 59 with Disabilities and Children with Disabilities - Buy-In. The Department assumes that this issue will be resolved before the end of FY 2015-16.
- One adjustment is included in this February 2016 forecast, the removal of the 5 year bar on legal immigrant children (HB 09-1353). The Department originally predicted implementation in FY 2014-15, but after further analysis has determined implementation would be in FY 2015-16.
- This population is affected by economic conditions in similar ways as the MAGI Parents/Caretakers, as children on Medicaid have eligibility granted as a function of a parent or guardian in most cases. Caseload trends in this category are highly affected by economic conditions, and tend to be positively correlated with the population of children aged 0 to 18. Growth in the 0 to 18 population dropped from around 2.3% per year from FY 1995-96 to FY 2001-02 to about 0.9% per year from FY 2002-03 to FY 2011-12. The economy is expected to continue improving (see page MC-14)¹³, but the Department does not expect this to be accompanied by a declining Medicaid caseload due to expansionary policy changes.
- Caseload declines occurred from 1993 to 1999 due to economic expansion and effects from the Tatum lawsuit (see MAGI Parents/Caretakers to 68% FPL section for more information on the lawsuit). When the Children's Basic Health Plan program was enacted in 1998, it required that children be screened for Medicaid before conferring Children's Basic Health Plan eligibility. As more children applied, many were found to be Medicaid eligible and were enrolled in Medicaid. Between FY 2002-03 and FY 2004-05, caseload in this category grew by 31.4%, which the Department believes is largely due to the state of the economy. The rate of growth fell drastically in FY 2005-06, and the caseload actually contracted by 3.74%. There were large and consistent declines between July 2006 and December 2007, which seems to indicate that the improved economy was having the expected effect on caseload. Similarly, large and consistent increases since January 2008 indicate that the weakening economic conditions are impacting caseload in this eligibility type.

¹³ Source: Office of State Planning and Budgeting, June 2014 Economic and Fiscal Review, page 56
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- Changes to the rules regarding the citizenship requirements of the Deficit Reduction Act of 2005 may affect this population and result in higher growth. Children who cannot provide proper proof of citizenship will no longer automatically remain eligible for the Children's Basic Health Plan. This may increase growth in Medicaid as families find documents to ensure coverage of children.
- Beginning with the February 2016 forecast, the Department has restated historical values for this category back to March 2014 to correct the distribution of clients between MAGI Eligible Children and SB 11-008 Eligible Children.

MAGI Eligible Children: Historical Caseload and Projections											
	Actuals	Monthly Change	% Change		Caseload	% Change	Level Change		Monthly Average Growth Actuals		
Dec-13	389,900	-	-	FY 2002-03	169,311	-	-	FY 2013-14 1st Half	2,716	0.73%	
Jan-14	398,421	8,521	2.19%	FY 2003-04	195,279	15.34%	25,968	FY 2013-14 2nd Half	6,009	1.49%	
Feb-14	403,896	5,475	1.37%	FY 2004-05	222,472	13.93%	27,193	FY 2013-14	4,362	1.11%	
Mar-14	408,290	4,394	1.09%	FY 2005-06	214,158	-3.74%	(8,314)	FY 2014-15 1st Half	3,400	0.80%	
Apr-14	415,666	7,376	1.81%	FY 2006-07	205,390	-4.09%	(8,768)	FY 2014-15 2nd Half	1,917	0.44%	
May-14	420,786	5,120	1.23%	FY 2007-08	204,022	-0.67%	(1,368)	FY 2014-15	2,659	0.62%	
Jun-14	425,952	5,166	1.23%	FY 2008-09	235,129	15.25%	31,107				
Jul-14	431,203	5,251	1.23%	FY 2009-10	275,672	17.24%	40,543				
Aug-14	436,077	4,874	1.13%	FY 2010-11	302,410	9.70%	26,738				
Sep-14	438,991	2,914	0.67%	FY 2011-12	334,633	10.66%	32,223				
Oct-14	442,075	3,084	0.70%	FY 2012-13	359,843	7.53%	25,210				
Nov-14	442,141	66	0.01%	FY 2013-14	399,032	10.89%	39,189				
Dec-14	446,354	4,213	0.95%	FY 2014-15	445,723	11.70%	46,691				
Jan-15	444,669	(1,685)	-0.38%	FY 2015-16	469,428	5.32%	23,705				
Feb-15	446,886	2,217	0.50%	FY 2016-17	491,828	4.77%	22,400				
Mar-15	450,778	3,892	0.87%	FY 2017-18	511,491	4.00%	19,663				
Apr-15	455,223	4,445	0.99%								
May-15	456,426	1,203	0.26%								
Jun-15	457,855	1,429	0.31%								
Jul-15	454,996	(2,859)	-0.62%								
Aug-15	457,343	2,347	0.52%								
Sep-15	461,317	3,974	0.87%								
Oct-15	466,623	5,306	1.15%								
Nov-15	466,734	111	0.02%								
Dec-15	469,009	2,275	0.49%								
November 2015 Forecast											
Forecasted December 2015 Level			473,154								
Base trend from December 2015 level											
FY 2015-16	465,840	4.51%	20,117								
February 2016 Projections After Adjustments											
FY 2014-15	445,723	11.70%	46,691								
FY 2015-16	470,946	5.66%	25,223								
FY 2016-17	494,148	4.93%	23,202								
FY 2017-18	513,962	4.01%	19,814								
Actuals											
		Monthly Change	% Change								
6-month average		1,859	0.40%								
12-month average		1,888	0.41%								
18-month average		2,392	0.54%								
24-month average		3,296	0.77%								
November 2015 Projection Before Adjustments											
FY 2014-15	445,722	11.70%	46,690								
FY 2015-16	472,284	5.96%	26,562								
FY 2016-17	491,855	4.14%	19,571								
FY 2017-18	512,954	4.29%	21,099								
HB 09-1353 Removing Bar on Legal Immigrants Adjustment											
FY 2014-15			0								
FY 2015-16			1,518								
FY 2016-17			2,320								
FY 2017-18			2,471								
Sunset of LARC Funding											
FY 2014-15			0								
FY 2015-16			627								
FY 2016-17			0								
FY 2017-18			0								
November 2015 Projection After Adjustments											
FY 2014-15	445,722	11.70%	46,690								
FY 2015-16	474,429	6.44%	28,707								
FY 2016-17	494,175	4.16%	19,746								
FY 2017-18	515,425	4.30%	21,250								
Monthly Average Growth Comparisons			R-1	S-1							
FY 2015-16 1st Half			2,550	1,859							
FY 2015-16 2nd Half			2,550	2,918							
FY 2015-16 2nd Half to Reach R-1 Estimate				3,241							
FY 2015-16			2,550	2,388							
FY 2016-17 1st Half			880	1,174							
FY 2016-17 2nd Half			880	1,174							
FY 2016-17			880	1,174							
FY 2017-18 1st Half			2,524	2,055							
FY 2017-18 2nd Half			2,524	2,055							
FY 2017-18			2,524	2,055							

MAGI Eligible Children, Age 0-1: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	MAGI C 0-1	Constant, trend, monthly seasonal variables	19.04	18.68	0.4532
ARIMA	d(MAGI C 0-1)	Constant, AR(1), MA(1)	15.35	15.27	0.2537
Trend Stationary	log(MAGI C 0-1)	Constant, dummy for Jan 2014 forward, trend, and 2 lags of the dependent variable	-6.61	-6.74	0.9898
Difference Stationary	dlog(MAGI C 0-1)	Constant, dummy for Jan 2014 forward, and 1 lag of the dependent variable	-6.34	-6.42	0.2845
Avg TS and ARIMA					

MAGI Eligible Children Ages 0-1: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	51,005	58,968	0.90%	59,499	531	(182)
ARIMA	51,005	58,968	4.85%	61,828	2,860	192
Trend Stationary	51,005	58,968	4.23%	61,462	2,494	92
Difference Stationary	51,005	58,968	6.00%	62,506	3,538	416
Avg TS and ARIMA	51,005	58,968	4.54%	61,645	2,677	142

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	58,968	59,499	-0.99%	58,910	(589)	119
ARIMA	58,968	61,828	3.88%	64,227	2,399	189
Trend Stationary	58,968	61,462	0.35%	61,677	215	(22)
Difference Stationary	58,968	62,506	13.08%	70,682	8,176	785
Avg TS and ARIMA	58,968	61,645	2.12%	62,952	1,307	83

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	59,499	58,910	2.42%	60,336	1,426	119
ARIMA	61,828	64,227	3.52%	66,488	2,261	189
Trend Stationary	61,462	61,677	-0.57%	61,325	(352)	(32)
Difference Stationary	62,506	70,682	14.34%	80,818	10,136	897
Avg TS and ARIMA	61,645	62,952	1.52%	63,909	957	78

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Eligible Children, Age 0-1: Trend Selections

FY 2015-16: 4.54%

FY 2016-17: 2.12%

FY 2017-18: 1.52%

MAGI Eligible Children, Age 0-1: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with three age group sub-categories, to increase forecast accuracy. Average monthly caseload for the first half of FY 2015-16 was 153, lower than expected in the November 2015 forecast. The forecast has been adjusted downward accordingly.

MAGI Eligible Children Ages 0-1: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Dec-13	47,085	-	-
Jan-14	49,653	2,568	5.45%
Feb-14	51,443	1,790	3.61%
Mar-14	52,948	1,505	2.93%
Apr-14	54,693	1,745	3.30%
May-14	55,729	1,036	1.89%
Jun-14	56,613	884	1.59%
Jul-14	57,329	716	1.26%
Aug-14	58,043	714	1.25%
Sep-14	58,259	216	0.37%
Oct-14	58,405	146	0.25%
Nov-14	57,986	(419)	-0.72%
Dec-14	58,364	378	0.65%
Jan-15	58,693	329	0.56%
Feb-15	59,089	396	0.67%
Mar-15	59,776	687	1.16%
Apr-15	60,540	764	1.28%
May-15	60,437	(103)	-0.17%
Jun-15	60,697	260	0.43%
Jul-15	60,679	(18)	-0.03%
Aug-15	60,834	155	0.26%
Sep-15	61,051	217	0.36%
Oct-15	61,373	322	0.53%
Nov-15	61,184	(189)	-0.31%
Dec-15	61,612	428	0.70%

November 2015 Forecast

Forecasted December 2015 Level	62,045
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Base trend from December 2015 level

FY 2015-16	61,367	4.07%	2,399
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	Caseload	% Change	Level Change
FY 2007-08	45,505	-	-
FY 2008-09	48,599	6.80%	3,094
FY 2009-10	51,325	5.61%	2,726
FY 2010-11	50,713	-1.19%	(612)
FY 2011-12	50,069	-1.27%	(644)
FY 2012-13	50,186	0.23%	117
FY 2013-14	51,005	1.63%	819
FY 2014-15	58,968	15.61%	7,963
FY 2015-16	61,645	4.54%	2,677
FY 2016-17	62,952	2.12%	1,307
FY 2017-18	63,909	1.52%	957

HB 09-1353 Removing Bar on Legal Immigrants

FY 2014-15	0
FY 2015-16	197
FY 2016-17	298
FY 2017-18	304

February 2016 Projections After Adjustments

FY 2014-15	58,968	15.61%	7,963
FY 2015-16	61,842	4.87%	2,874
FY 2016-17	63,250	2.28%	1,408
FY 2017-18	64,213	1.52%	963

Actuals

	Monthly Change	% Change
6-month average	153	0.25%
12-month average	271	0.45%
18-month average	278	0.47%
24-month average	605	1.14%

Monthly Average Growth Actuals

FY 2013-14 1st Half	(544)	-1.09%
FY 2013-14 2nd Half	1,588	3.13%
FY 2013-14	522	1.02%
FY 2014-15 1st Half	292	0.51%
FY 2014-15 2nd Half	389	0.66%
FY 2014-15	340	0.58%

November 2015 Projection Before Adjustments

FY 2014-15	58,968	15.61%	7,963
FY 2015-16	61,333	4.01%	2,365
FY 2016-17	63,167	2.99%	1,834
FY 2017-18	65,062	3.00%	1,895

HB 09-1353 Removing Bar on Legal Immigrants Adjustment

FY 2014-15	0
FY 2015-16	197
FY 2016-17	298
FY 2017-18	304

Sunset of LARC Funding

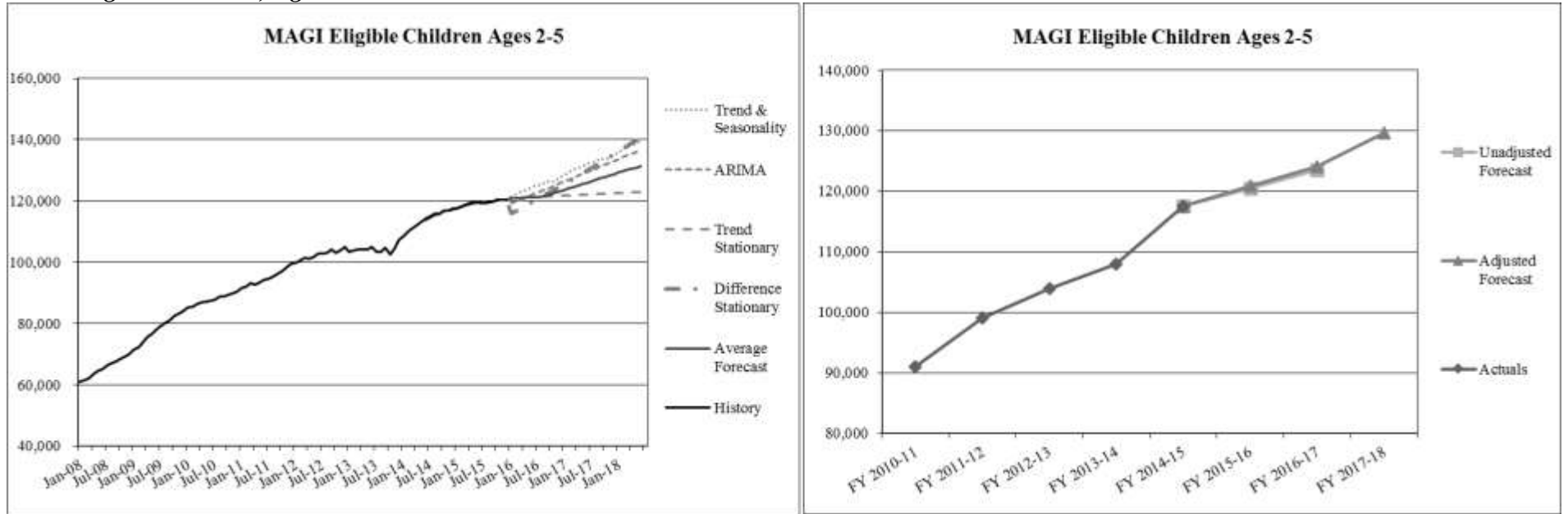
FY 2014-15	0
FY 2015-16	627
FY 2016-17	0
FY 2017-18	0

November 2015 Projection After Adjustments

FY 2014-15	58,968	15.61%	7,963
FY 2015-16	62,157	5.41%	3,189
FY 2016-17	63,465	2.10%	1,308
FY 2017-18	65,366	3.00%	1,901

Monthly Average Growth Comparisons

	R-1	S-1
FY 2015-16 1st Half	225	153
FY 2015-16 2nd Half	225	271
FY 2015-16 2nd Half to Reach R-1 Estimate		297
FY 2015-16	225	212
FY 2016-17 1st Half	11	1
FY 2016-17 2nd Half	11	1
FY 2016-17	11	1
FY 2017-18 1st Half	283	147
FY 2017-18 2nd Half	283	147
FY 2017-18	283	147

MAGI Eligible Children, Age 2-5: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	MAGI C 2-5	Constant, trend, monthly seasonal variables	19.47	19.13	0.9674
ARIMA	d(MAGI C 2-5)	Constant, AR(5), MA(5)	16	15.7	0.2684
Trend Stationary	log(MAGI C 2-5)	Constant, trend, and 4 lags of the dependent variable	-9.32	-9.52	0.9961
Difference Stationary	dlog(MAGI C 2-5)	Constant and 3 lags of the dependent variable	-7.2	-7.3	0.3318
Average Forecast					

MAGI Eligible Children Ages 2-5: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	107,877	117,521	3.39%	121,505	3,984	435
ARIMA	107,877	117,521	2.36%	120,294	2,773	217
Trend Stationary	107,877	117,521	2.52%	120,483	2,962	136
Difference Stationary	107,877	117,521	1.14%	118,861	1,340	18
Average Forecast	107,877	117,521	2.52%	120,483	2,962	136

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	117,521	121,505	5.65%	128,370	6,865	616
ARIMA	117,521	120,294	4.83%	126,104	5,810	603
Trend Stationary	117,521	120,483	0.98%	121,664	1,181	67
Difference Stationary	117,521	118,861	5.33%	125,196	6,335	840
Average Forecast	117,521	120,483	2.46%	123,447	2,964	394

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	121,505	128,370	5.76%	135,764	7,394	616
ARIMA	120,294	126,104	5.73%	133,330	7,226	603
Trend Stationary	120,483	121,664	0.66%	122,467	803	68
Difference Stationary	118,861	125,196	8.41%	135,725	10,529	910
Average Forecast	120,483	123,447	4.44%	128,928	5,481	438

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Eligible Children, Age 2-5: Trend Selections

FY 2015-16: 2.86%

FY 2016-17: 2.64%

FY 2017-18: 4.45%

MAGI Eligible Children, Age 2-5: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with three age group sub-categories, to increase forecast accuracy. Average monthly caseload growth for the first half of FY 2015-16 was 113 clients, much lower than previously anticipated in the November 2015 forecast. The Department has adjusted this forecast downward accordingly.

MAGI Eligible Children Ages 2-5: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Dec-13	107,098	-	-
Jan-14	108,564	1,466	1.37%
Feb-14	109,810	1,246	1.15%
Mar-14	110,995	1,185	1.08%
Apr-14	112,262	1,267	1.14%
May-14	113,155	893	0.80%
Jun-14	114,046	891	0.79%
Jul-14	114,812	766	0.67%
Aug-14	115,657	845	0.74%
Sep-14	115,820	163	0.14%
Oct-14	116,692	872	0.75%
Nov-14	116,772	80	0.07%
Dec-14	117,382	610	0.52%
Jan-15	117,754	372	0.32%
Feb-15	118,300	546	0.46%
Mar-15	118,819	519	0.44%
Apr-15	119,236	417	0.35%
May-15	119,419	183	0.15%
Jun-15	119,588	169	0.14%
Jul-15	119,201	(387)	-0.32%
Aug-15	119,513	312	0.26%
Sep-15	119,930	417	0.35%
Oct-15	120,311	381	0.32%
Nov-15	120,276	(35)	-0.03%
Dec-15	120,263	(13)	-0.01%

November 2015 Forecast

Forecasted December 2015 Level	123,904
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Base trend from December 2015 level

FY 2015-16	120,089	2.19%	2,568
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	Caseload	% Change	Level Change
FY 2007-08	62,156	-	-
FY 2008-09	71,452	14.96%	9,296
FY 2009-10	84,091	17.69%	12,639
FY 2010-11	91,035	8.26%	6,944
FY 2011-12	99,043	8.80%	8,008
FY 2012-13	103,886	4.89%	4,843
FY 2013-14	107,877	3.84%	3,991
FY 2014-15	117,521	8.94%	9,644
FY 2015-16	120,483	2.52%	2,962
FY 2016-17	123,447	2.46%	2,964
FY 2017-18	128,928	4.44%	5,481

HB 09-1353 Removing Bar on Legal Immigrants

FY 2014-15	0
FY 2015-16	398
FY 2016-17	621
FY 2017-18	657

February 2016 Projections After Adjustments

FY 2014-15	117,521	8.94%	9,644
FY 2015-16	120,881	2.86%	3,360
FY 2016-17	124,068	2.64%	3,187
FY 2017-18	129,585	4.45%	5,517

Actuals

	Monthly Change	% Change
6-month average	113	0.09%
12-month average	240	0.20%
18-month average	345	0.30%
24-month average	549	0.49%

Monthly Average Growth Actuals

FY 2013-14 1st Half	354	0.35%	
FY 2013-14 2nd Half	1,158	1.05%	
FY 2013-14	756	0.70%	
FY 2014-15 1st Half	556	0.48%	
FY 2014-15 2nd Half	368	0.31%	
FY 2014-15	462	0.40%	
November 2015 Projection Before Adjustments			
FY 2014-15	117,520	8.94%	9,644
FY 2015-16	123,866	5.40%	6,346
FY 2016-17	131,670	6.30%	7,804
FY 2017-18	139,412	5.88%	7,742

HB 09-1353 Removing Bar on Legal Immigrants Adjustment

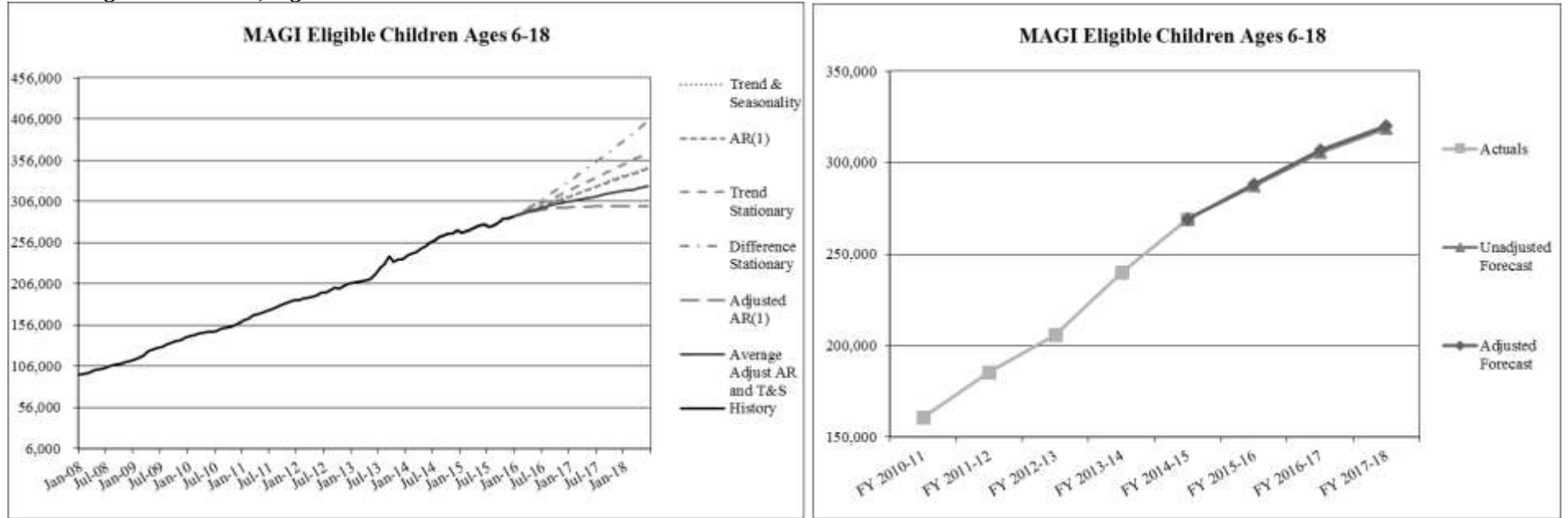
FY 2014-15	0
FY 2015-16	398
FY 2016-17	621
FY 2017-18	657

November 2015 Projection After Adjustments

FY 2014-15	117,520	8.94%	9,644
FY 2015-16	124,264	5.74%	6,744
FY 2016-17	132,291	6.46%	8,027
FY 2017-18	140,069	5.88%	7,778

Monthly Average Growth Comparisons

	R-1	S-1
FY 2015-16 1st Half	720	113
FY 2015-16 2nd Half	720	452
FY 2015-16 2nd Half to Reach R-1 Estimate		1,327
FY 2015-16	720	282
FY 2016-17 1st Half	626	168
FY 2016-17 2nd Half	626	168
FY 2016-17	626	168
FY 2017-18 1st Half	667	707
FY 2017-18 2nd Half	667	707
FY 2017-18	667	707

MAGI Eligible Children, Age 6-18: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	MAGI C 6-18	Constant, trend, monthly seasonal variables	20.33	19.99	0.9929
AR(1)	d(MAGI C 6-18)	Constant, AR(1)	18.02	17.96	-0.0105
Trend Stationary	log(MAGI C 6-18)	Constant, trend, and 1 lag of the dependent variable	-6.42	-6.50	0.9992
Difference Stationary	dlog(MAGI C 6-18)	Constant and 2 lags of the dependent variable	-6.48	-6.56	0.0323
Adjusted AR(1)			N/A	N/A	N/A
Average Adjust AR and T&S			N/A	N/A	N/A

MAGI Eligible Children Ages 6-18: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	240,151	269,234	6.79%	287,515	18,281	1,764
AR(1)	240,151	269,234	6.90%	287,811	18,577	1,779
Trend Stationary	240,151	269,234	7.38%	289,103	19,869	2,102
Difference Stationary	240,151	269,234	7.57%	289,615	20,381	2,392
Adjusted AR(1)	240,151	269,234	6.64%	287,111	17,877	1,485
Average Adjust AR and T&S	240,151	269,234	6.71%	287,300	18,066	1,624

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	269,234	287,515	8.66%	312,414	24,899	2,056
AR(1)	269,234	287,811	8.29%	311,671	23,860	1,965
Trend Stationary	269,234	289,103	10.45%	319,314	30,211	2,558
Difference Stationary	269,234	289,615	14.07%	330,364	40,749	3,790
Adjusted AR(1)	269,234	287,111	3.94%	298,423	11,312	366
Average Adjust AR and T&S	269,234	287,300	6.31%	305,429	18,129	1,211

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	287,515	312,414	7.90%	337,095	24,681	2,056
AR(1)	287,811	311,671	7.56%	335,233	23,562	1,965
Trend Stationary	289,103	319,314	9.85%	350,766	31,452	2,674
Difference Stationary	289,615	330,364	14.85%	379,423	49,059	4,353
Adjusted AR(1)	287,111	298,423	0.60%	300,214	1,791	53
Average Adjust AR and T&S	287,300	305,429	4.33%	318,654	13,225	1,054

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Eligible Children, Age 6-18: Trend Selections

FY 2015-16: 7.05%

FY 2016-17: 6.46%

FY 2017-18: 4.35%

MAGI Eligible Children, Age 6-18: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with three age group sub-categories, to increase forecast accuracy. The Department has brought this forecast up slightly over the November 2015 forecast, to account for six-month actuals for FY 2015-16.

MAGI Eligible Children 6-18: Historical Caseload and Projections													
	Actuals	Monthly Change	% Change		Caseload	% Change	Level Change		Monthly Average Growth Actuals				
Dec-13	235,717	-	-	FY 2007-08	98,529	-	-	FY 2013-14 1st Half	2,907	1.32%			
Jan-14	240,204	4,487	1.90%	FY 2008-09	115,078	16.80%	16,549	FY 2013-14 2nd Half	3,263	1.34%			
Feb-14	242,643	2,439	1.02%	FY 2009-10	140,256	21.88%	25,178	FY 2013-14	3,085	1.33%			
Mar-14	244,347	1,704	0.70%	FY 2010-11	160,662	14.55%	20,406	FY 2014-15 1st Half	2,553	0.98%			
Apr-14	248,711	4,364	1.79%	FY 2011-12	185,521	15.47%	24,859	FY 2014-15 2nd Half	1,160	0.43%			
May-14	251,902	3,191	1.28%	FY 2012-13	205,770	10.91%	20,249	FY 2014-15	1,856	0.70%			
Jun-14	255,293	3,391	1.35%	FY 2013-14	240,151	16.71%	34,381	November 2015 Projection Before Adjustments					
Jul-14	259,062	3,769	1.48%	FY 2014-15	269,234	12.11%	29,083	FY 2014-15	269,234	12.11%	29,083		
Aug-14	262,377	3,315	1.28%	FY 2015-16	287,300	6.71%	18,066	FY 2015-16	287,084	6.63%	17,850		
Sep-14	264,912	2,535	0.97%	FY 2016-17	305,429	6.31%	18,129	FY 2016-17	297,017	3.46%	9,933		
Oct-14	266,978	2,066	0.78%	FY 2017-18	318,654	4.33%	13,225	FY 2017-18	308,482	3.86%	11,465		
Nov-14	267,383	405	0.15%										
Dec-14	270,608	3,225	1.21%	HB 09-1353 Removing Bar on Legal Immigrants				HB 09-1353 Removing Bar on Legal Immigrants Adjustment					
Jan-15	268,222	(2,386)	-0.88%	FY 2014-15			0	FY 2014-15			0		
Feb-15	269,497	1,275	0.48%	FY 2015-16			923	FY 2015-16			923		
Mar-15	272,183	2,686	1.00%	FY 2016-17			1,401	FY 2016-17			1,401		
Apr-15	275,447	3,264	1.20%	FY 2017-18			1,510	FY 2017-18			1,510		
May-15	276,570	1,123	0.41%										
Jun-15	277,570	1,000	0.36%	February 2016 Projections After Adjustments				November 2015 Projection After Adjustments					
Jul-15	275,116	(2,454)	-0.88%	FY 2014-15	269,234	12.11%	29,083	FY 2014-15	269,234	12.11%	29,083		
Aug-15	276,996	1,880	0.68%	FY 2015-16	288,223	7.05%	18,989	FY 2015-16	288,007	6.97%	18,773		
Sep-15	280,336	3,340	1.21%	FY 2016-17	306,830	6.46%	18,607	FY 2016-17	298,418	3.61%	10,411		
Oct-15	284,939	4,603	1.64%	FY 2017-18	320,164	4.35%	13,334	FY 2017-18	309,992	3.88%	11,574		
Nov-15	285,274	335	0.12%										
Dec-15	287,134	1,860	0.65%										
November 2015 Forecast													
Forecasted December 2015 Level			287,204										
Base trend from December 2015 level													
FY 2015-16	284,383	5.63%	15,149										

SB 11-008 Eligible Children

Prior to the implementation of SB 11-008 in January 2013, children ages 0 to 5 whose family income was under 133% FPL were eligible for Medicaid, and children ages 6 to 18 whose family income was under 100% FPL were eligible for Medicaid. SB 11-008 increased the FPL threshold for children ages 6 to 18 up to 133% FPL, 142% FPL with income disregards applied after October 2013. Services for clients that would have been eligible for CHP+, before the implementation of SB 11-008, receive the enhanced CHP+ federal match. These clients are identified as Medicaid eligible children that are over the age of 6, with incomes above 108% FPL, and have no other insurance.

25.5-5-205 (3), C.R.S.

(b) (I) For children under six years of age, the percentage level of the federal poverty line, as defined pursuant to 42 U.S.C. sec. 9902 (2), used to determine eligibility under this subsection (3) shall be one hundred thirty-three percent. If the federal government establishes a new federal minimum percentage level of the federal poverty line used to determine eligibility under this subsection (3) that is different from the level set in this subparagraph (I), the state department is authorized to meet such federal minimum level without requiring additional legislation; however, such minimum federal level shall be established by rule of the state board.

25.5-5-205 (3), C.R.S.

(c) (I) On and after September 1, 2011, children born after September 30, 1983, who have attained six years of age but have not attained nineteen years of age shall be eligible for benefits under the baby and kid care program. For the purpose of eligibility under this paragraph

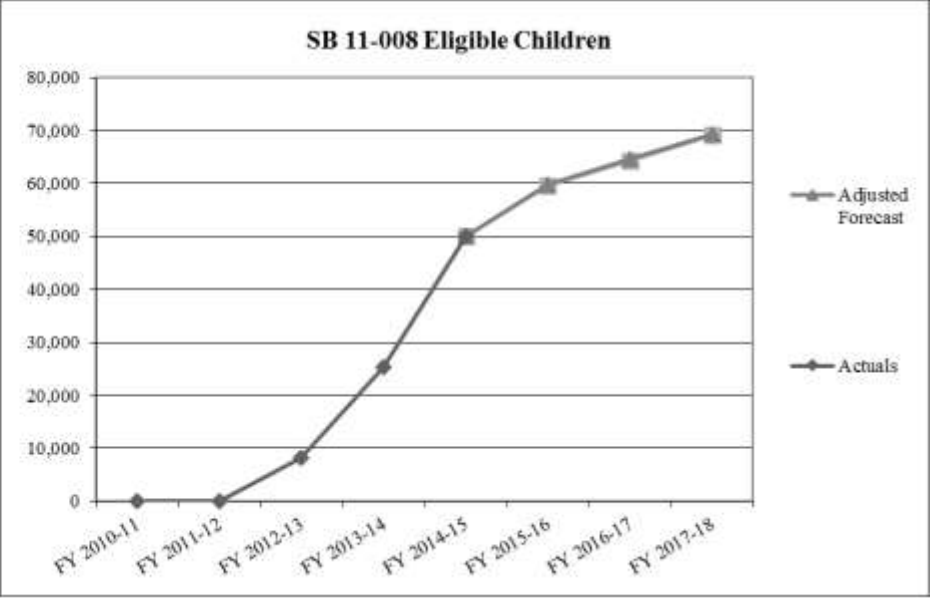
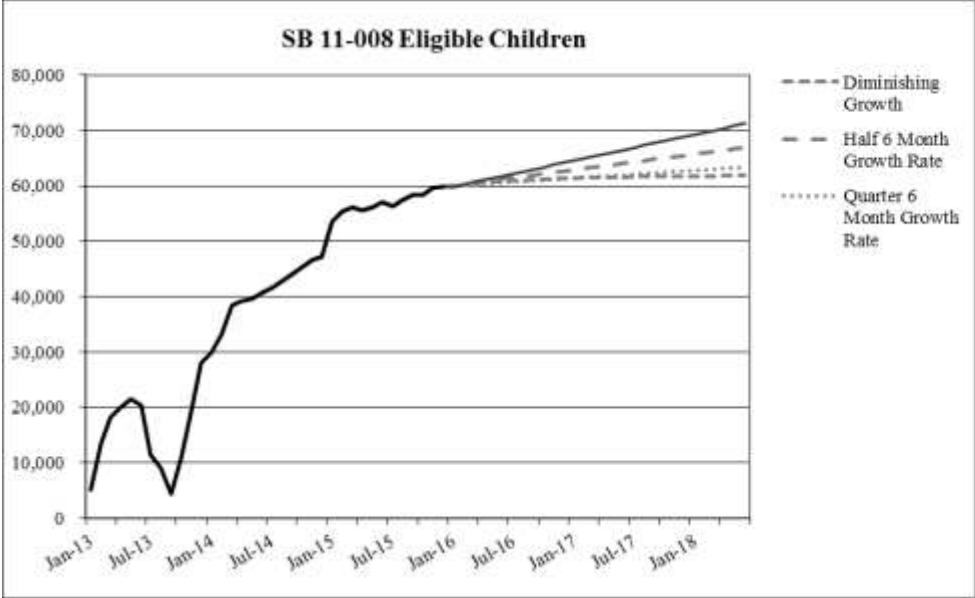
(c) only, such individual's family income shall exceed the eligibility threshold used in determining eligibility for aid to families with dependent children assistance pursuant to rules in effect on July 16, 1996, and the method adopted by the state board pursuant to sections 25.5-5-101 (4)

(c) and 25.5-5-201 (5) (c), but shall not exceed the equivalent of the percentage level of the federal poverty line that is specified pursuant to subparagraph (II) of this paragraph (c).

(II) The percentage level of the federal poverty line, as defined pursuant to 42 U.S.C. sec. 9902 (2), used to determine eligibility under this paragraph (c) shall be equivalent to the family income eligibility threshold applied to children under six years of age pursuant to paragraph

(b) of this subsection (3).

SB 11-008 Eligible Children: Model Results



SB 11-008 Eligible Children: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Diminishing Growth	25,345	50,113	18.50%	59,384	9,271	992
Half 6 Month Growth Rate	25,345	50,113	18.71%	59,489	9,376	1,029
Quarter 6 Month Growth Rate	25,345	50,113	18.30%	59,284	9,171	971
November 2015 R-1	25,345	50,113	18.82%	59,544	9,431	1,072

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Diminishing Growth	50,113	59,384	3.27%	61,326	1,942	65
Half 6 Month Growth Rate	50,113	59,489	5.55%	62,791	3,302	234
Quarter 6 Month Growth Rate	50,113	59,284	3.45%	61,329	2,045	117
November 2015 R-1	50,113	59,544	8.06%	64,343	4,799	394

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Diminishing Growth	59,384	61,326	0.68%	61,743	417	18
Half 6 Month Growth Rate	59,489	62,791	4.47%	65,598	2,807	234
Quarter 6 Month Growth Rate	59,284	61,329	2.29%	62,733	1,404	117
November 2015 R-1	59,544	64,343	7.34%	69,066	4,723	394

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

SB 11-008 Eligible Children: Trend Selections

FY 2015-16: 19.18%

FY 2016-17: 8.20%

FY 2017-18: 7.33%

SB 11-008 Eligible Children: Justifications

- Average monthly caseload in FY 2014-15 for SB 11-008 Eligible Children was 50,114 prior to the February 2016 restatement, which was 3,007 clients, or 6.38%, over what was forecasted in February 2015. The FY 2015-16 six-month actuals were on par with the November 2015 forecast; therefore, this forecast has not been adjusted.
- One adjustment is included in this February 2016 forecast, for the removal of the 5 year bar on legal immigrant children (HB 09-1353). The Department originally predicted implementation in FY 2014-15, but after further analysis has determined implementation would be in FY 2015-16.
- Data issues from July 2013 through November 2013 prevented the Department from identifying these clients, significant drops in caseload can be seen for these months. These data issues left inaccurate data points for the February 2014 forecast. The Department believes that these issues have been resolved and all appropriate clients can now be identified.
- The Department believes that this eligibility is affected by continuous eligibility, and aggressive trends are selected to account for continuous eligibility. The Department is researching the extent of the effects of continuous eligibility on this category.
- These clients are identified as Medicaid eligible children over age 6, incomes above 108% FPL, with no other insurance.
- Beginning with the February 2016 forecast, the Department has restated historical values for this category back to March 2014 to correct the distribution of clients between MAGI Eligible Children and SB 11-008 Eligible Children.

SB 11-008 Eligible Children: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Dec-13	28,057	-	-
Jan-14	29,967	1,910	6.81%
Feb-14	33,255	3,288	10.97%
Mar-14	38,398	5,143	15.47%
Apr-14	39,128	730	1.90%
May-14	39,624	496	1.27%
Jun-14	40,754	1,130	2.85%
Jul-14	41,550	796	1.95%
Aug-14	42,750	1,200	2.89%
Sep-14	44,001	1,251	2.93%
Oct-14	45,249	1,248	2.84%
Nov-14	46,654	1,405	3.11%
Dec-14	47,275	621	1.33%
Jan-15	53,548	6,273	13.27%
Feb-15	55,445	1,897	3.54%
Mar-15	56,155	710	1.28%
Apr-15	55,565	(590)	-1.05%
May-15	56,104	539	0.97%
Jun-15	57,059	955	1.70%
Jul-15	56,220	(839)	-1.47%
Aug-15	57,355	1,135	2.02%
Sep-15	58,330	975	1.70%
Oct-15	58,336	6	0.01%
Nov-15	59,640	1,304	2.24%
Dec-15	59,867	227	0.38%

November 2015 Forecast	
Forecasted December 2015 Level	59,591

Base trend from December 2015 level			
FY 2015-16	59,079	17.89%	8,966

	Caseload	% Change	Level Change
FY 2002-03	-	-	-
FY 2003-04	-	-	-
FY 2004-05	-	-	-
FY 2005-06	-	-	-
FY 2006-07	-	-	-
FY 2007-08	-	-	-
FY 2008-09	-	-	-
FY 2009-10	-	-	-
FY 2010-11	-	-	-
FY 2011-12	-	-	-
FY 2012-13	8,236	-	8,236
FY 2013-14	25,345	207.73%	17,109
FY 2014-15	50,113	97.72%	24,768
FY 2015-16	59,544	18.82%	9,431
FY 2016-17	64,343	8.06%	4,799
FY 2017-18	69,066	7.34%	4,723

HB 09-1353 Removing Bar on Legal Immigrants Adjustment	
FY 2014-15	0
FY 2015-16	181
FY 2016-17	280
FY 2017-18	292

February 2016 Projections After Adjustments			
FY 2014-15	50,113	97.72%	24,768
FY 2015-16	59,725	19.18%	9,612
FY 2016-17	64,623	8.20%	4,898
FY 2017-18	69,358	7.33%	4,735

Actuals		
	Monthly Change	% Change
6-month average	468	0.81%
12-month average	1,049	2.05%
18-month average	1,062	2.20%
24-month average	1,325	3.29%

Monthly Average Growth Actuals		
FY 2013-14 1st Half	1,288	26.27%
FY 2013-14 2nd Half	2,116	6.44%
FY 2013-14	1,702	16.35%
FY 2014-15 1st Half	1,087	2.11%
FY 2014-15 2nd Half	1,631	2.68%
FY 2014-15	1,359	2.40%

November 2015 Projection Before Adjustments			
FY 2014-15	50,114	97.73%	24,769
FY 2015-16	59,621	18.97%	9,507
FY 2016-17	64,349	7.93%	4,728
FY 2017-18	69,072	7.34%	4,723

HB 09-1353 Removing Bar on Legal Immigrants Adjustment	
FY 2014-15	0
FY 2015-16	181
FY 2016-17	280
FY 2017-18	292

November 2015 Projection After Adjustments			
FY 2014-15	50,114	97.73%	24,769
FY 2015-16	59,802	19.33%	9,688
FY 2016-17	64,629	8.07%	4,827
FY 2017-18	69,364	7.33%	4,735

Monthly Average Growth Comparisons	R-1	S-1
FY 2015-16 1st Half	422	468
FY 2015-16 2nd Half	422	369
FY 2015-16 2nd Half to Reach R-1 Estimate		376
FY 2015-16	422	419
FY 2016-17 1st Half	386	391
FY 2016-17 2nd Half	386	391
FY 2016-17	386	391
FY 2017-18 1st Half	402	398
FY 2017-18 2nd Half	402	398
FY 2017-18	402	398

Foster Care

Federal law mandates that states provide Medicaid to individuals under Title IV-E of the Social Security Act (42 U.S.C. 470-479A) for adoption assistance and foster care. Title IV-E is a subpart of Title IV, Child Welfare, of the federal Social Security Act. Title IV-E provides federal reimbursement to states for the room and board costs of children placed in foster homes and other out-of-home placements. This is an entitlement program for children who are eligible and for whom the state can seek reimbursement. Eligibility is determined on family circumstances at the time when the child was removed from the home. Once eligible, the state determines if it can claim reimbursement for maintenance costs for the child. Adoption assistance is available for children with special health care needs who meet the same requirements. States have the option to extend Medicaid to former foster care children aged 18 through 20 years who were eligible for Title IV-E prior to their 18th birthday. During the 2007 legislative session, SB 07-002 was passed extending Medicaid eligibility through age 20 for children for whom adoption assistance or foster care maintenance payments are made under Title IV-E of the Social Security Act, which was implemented in July 2008. Eligibility for children receiving state subsidized adoption or foster care payments (non Title IV-E) was extended through age 20 in the 2008 Legislative Session through SB 08-099, which was implemented in July 2009. Pursuant to the ACA, eligibility for children enrolled in Medicaid that turned 21 while in foster care was increased to age 26 in January 2014. This expansion was mandatory and was not subject to the Supreme Court of the United States ruling which found the Medicaid expansion unconstitutionally coercive of states.

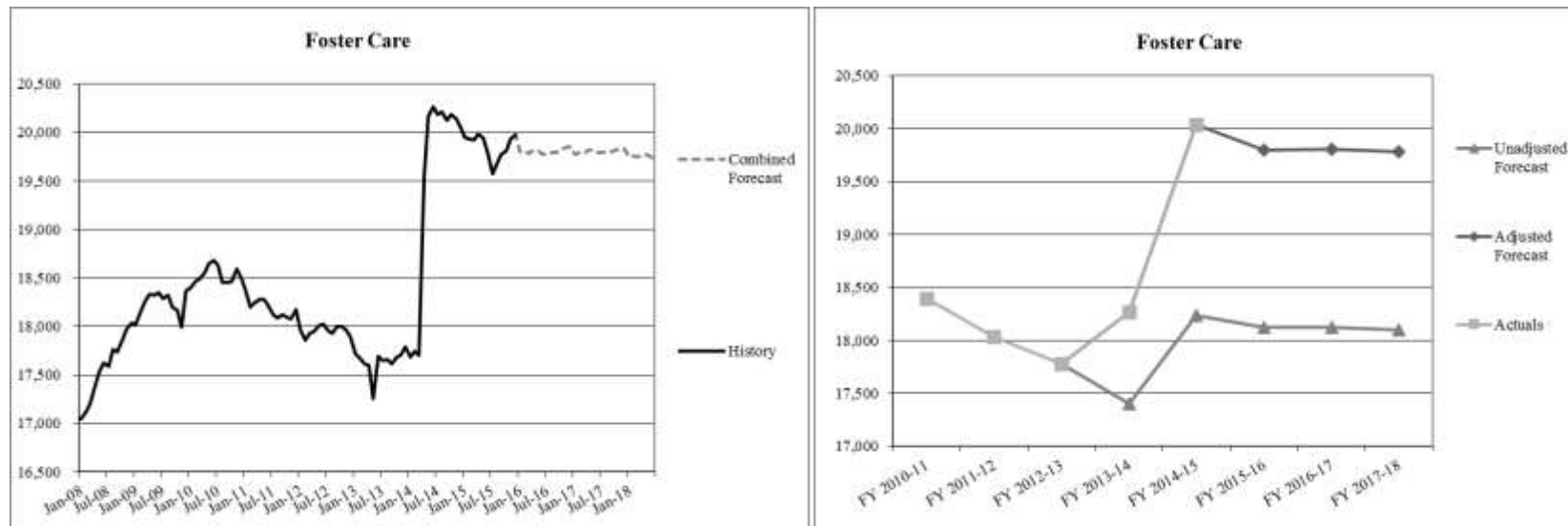
25.5-5-101 (1), C.R.S.

(e) Children for whom adoption assistance or foster care maintenance payments are made under Title IV-E of the “Social Security Act”, as amended;

25.5-5-201 (1), C.R.S.

(l) Children for whom subsidized adoption assistance payments are made by the state pursuant to article 7 of title 26, C.R.S, but who do not meet the requirements of Title IV-E of the “Social Security Act”, as amended;

(n) Individuals under the age of twenty-one years eligible for medical assistance pursuant to paragraph (l) of this subsection (1) or section 25.5-5-101 (1) (e) immediately prior to attaining the age of eighteen years or otherwise becoming emancipated;

Foster Care: Model Results

Foster Care: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	16,971	18,237	8.55%	19,796	1,559	1,506

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	18,237	19,796	0.05%	19,806	10	2

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Combined Forecast	19,796	19,806	-0.11%	19,785	(21)	(5)

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Foster Care: Trend Selections

FY 2015-16: -1.20 %

FY 2016-17: 0.05%

FY 2017-18: -0.11%

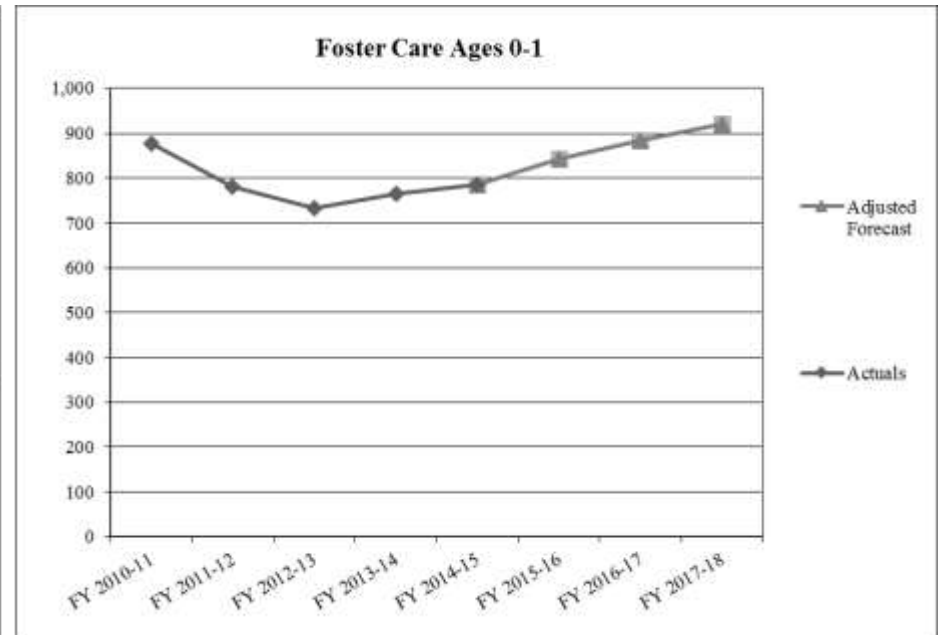
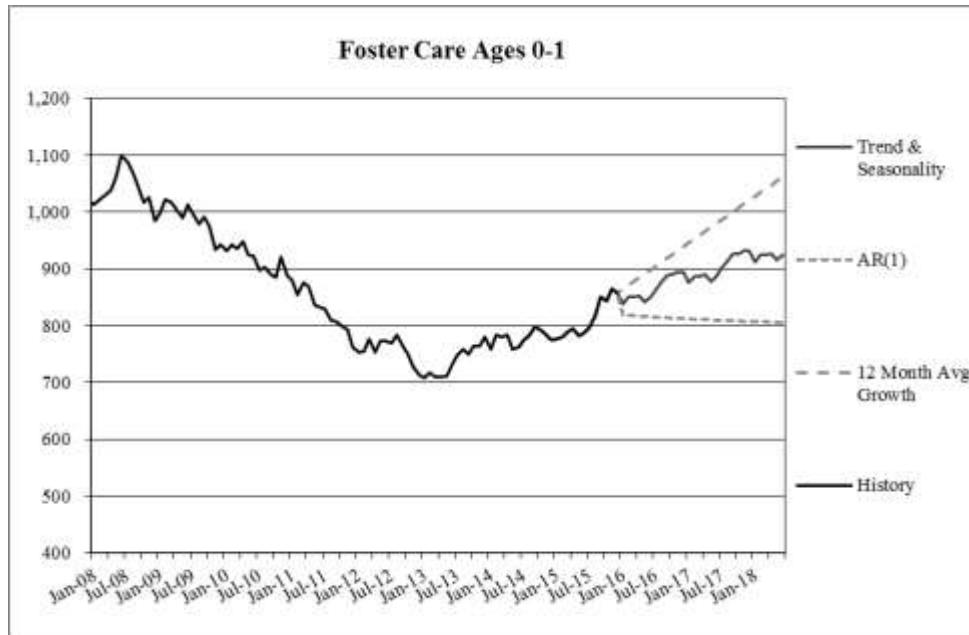
Foster Care: Justifications

- Average monthly caseload in FY 2014-15 for Foster Care was 20,036, which was 93 clients, or 0.46%, under what was forecasted in February 2015. Actual caseload for clients aged 22 to 26 in CY 2015 was 1,710, monthly actuals can be seen in the chart below. This population has been in decline over the last twelve months. The Department has changed this bottom line adjustment accordingly.

SB 13-200 Medicaid Expansion Actuals	
Jan-15	1,794
Feb-15	1,764
Mar-15	1,759
Apr-15	1,751
May-15	1,747
Jun-15	1,709
Jul-15	1,586
Aug-15	1,636
Sep-15	1,683
Oct-15	1,690
Nov-15	1,695
Dec-15	1,701

- Beginning with the November 2015 forecast, the Department has selected models separately for the age group 0-1, the age group 2-5, the age group 6-18, and the age group 19-26, in line with MAGI Eligible Children. See below for more details.
- Caseload in this category is affected by programmatic changes initiated by the Department of Human Services who oversee the Child Welfare system. In January 2001, the Department of Human Services converted to a new data reporting system for children in foster care called Trails. The conversion may be partially responsible for unusually slow growth experienced in this category in FY 2001-02. Legislation in 2003 (HB 03-1004) made the manufacturing of controlled substances in the presence of children a felony, and deemed such actions child abuse. This may positively affect caseload in subsequent years, as more children are placed into state custody.
- Caseload at the end of FY 2007-08 and FY 2008-09 began to increase, which is partially due to the implementation of SB 07-002 and SB 08-099, which expanded eligibility for Foster Care through age 20. The reasons for the decreases in FY 2011-12 and FY 2012-13 is still unknown and the Department will continue to monitor caseload trends in this category.

Foster Care: Historical Caseload and Projections												
	Actuals	Monthly Change	% Change		Caseload	% Change	Level Change		Monthly Average Growth Actuals			
Dec-13	17,793	-	-	FY 2002-03	13,967	-	-	FY 2013-14 1st Half	17	0.10%		
Jan-14	17,684	(109)	-0.61%	FY 2003-04	14,914	6.78%	947	FY 2013-14 2nd Half	413	2.26%		
Feb-14	17,744	60	0.34%	FY 2004-05	15,795	5.91%	881	FY 2013-14	215	1.18%		
Mar-14	17,704	(40)	-0.23%	FY 2005-06	16,460	4.21%	665	FY 2014-15 1st Half	(35)	-0.17%		
Apr-14	19,526	1,822	10.29%	FY 2006-07	16,724	1.60%	264	FY 2014-15 2nd Half	(44)	-0.22%		
May-14	20,168	642	3.29%	FY 2007-08	17,141	2.49%	417	FY 2014-15	(40)	-0.20%		
Jun-14	20,268	100	0.50%	FY 2008-09	18,033	5.20%	892					
Jul-14	20,190	(78)	-0.38%	FY 2009-10	18,381	1.93%	348					
Aug-14	20,213	23	0.11%	FY 2010-11	18,393	0.07%	12					
Sep-14	20,124	(89)	-0.44%	FY 2011-12	18,034	-1.95%	(359)					
Oct-14	20,187	63	0.31%	FY 2012-13	17,777	-1.43%	(257)					
Nov-14	20,140	(47)	-0.23%	FY 2013-14	16,971	-4.53%	(806)					
Dec-14	20,056	(84)	-0.42%	FY 2014-15	18,237	7.46%	1,266					
Jan-15	19,951	(105)	-0.52%	FY 2015-16	18,123	-0.63%	(114)					
Feb-15	19,932	(19)	-0.10%	FY 2016-17	18,123	0.00%	0					
Mar-15	19,925	(7)	-0.04%	FY 2017-18	18,102	-0.12%	(21)					
Apr-15	19,982	57	0.29%									
May-15	19,945	(37)	-0.19%									
Jun-15	19,791	(154)	-0.77%									
Jul-15	19,578	(213)	-1.08%									
Aug-15	19,676	98	0.50%									
Sep-15	19,776	100	0.51%									
Oct-15	19,814	38	0.19%									
Nov-15	19,936	122	0.62%									
Dec-15	19,975	39	0.20%									
November 2015 Forecast				SB 13-200 Medicaid Expansion Adjustment				November 2015 Projection Before Adjustments				
Forecasted December 2015 Level			19,913	FY 2014-15		1,800		FY 2014-15		18,236	2.25%	401
				FY 2015-16		1,673		FY 2015-16		18,179	-0.31%	(57)
				FY 2016-17		1,683		FY 2016-17		18,200	0.12%	21
				FY 2017-18		1,683		FY 2017-18		18,224	0.13%	24
				February 2016 Projections After Adjustments				November 2015 Projection After Adjustments				
				FY 2014-15		20,037 18.07% 3,066		FY 2014-15		20,036 9.68% 1,769		
				FY 2015-16		19,796 -1.20% (241)		FY 2015-16		19,923 -0.56% (113)		
				FY 2016-17		19,806 0.05% 10		FY 2016-17		19,943 0.10% 20		
				FY 2017-18		19,785 -0.11% (21)		FY 2017-18		19,966 0.12% 23		
Base trend from December 2015 level				Actuals				Monthly Average Growth Comparisons				
FY 2015-16	19,884	-0.76%	(153)		Monthly Change	% Change			R-1	S-1		
				6-month average	31	0.16%		FY 2015-16 1st Half	20	31		
				12-month average	(7)	-0.03%		FY 2015-16 2nd Half	20	(50)		
				18-month average	(16)	-0.08%		FY 2015-16 2nd Half to Reach R-1 Estimate		10		
				24-month average	91	0.51%		FY 2015-16	20	(10)		
								FY 2016-17 1st Half	(14)	20		
								FY 2016-17 2nd Half	(14)	20		
								FY 2016-17	(14)	20		
								FY 2017-18 1st Half	15	(20)		
								FY 2017-18 2nd Half	15	(20)		
								FY 2017-18	15	(20)		

Foster Care, Age 0-1: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	FC 0-1	Constant, trend, monthly seasonal variables	9.22	8.65	0.8371
AR(1)	FC 0-1	Constant, AR(1)	8.58	8.53	0.9761
12 Month Avg Growth			NA	NA	NA

Foster Care Ages 0-1: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	766	785	7.39%	843	58	5
AR(1)	766	785	5.48%	828	43	2
12 Month Avg Growth	766	785	9.55%	860	75	9

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	785	843	4.86%	884	41	3
AR(1)	785	828	-1.93%	812	(16)	0
12 Month Avg Growth	785	860	9.53%	942	82	7

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	843	884	4.19%	921	37	3
AR(1)	828	812	-0.62%	807	(5)	0
12 Month Avg Growth	860	942	8.70%	1,024	82	7

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Foster Care, Age 0-1: Trend Selections

FY 2015-16: 7.39%

FY 2016-17: 4.86%

FY 2017-18: 4.19%

Foster Care, Age 0-1: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with four age group sub-categories, to increase forecast accuracy. Average monthly caseload growth was higher in the first six months of FY 2015-16 than anticipated in the November 2015 forecast; the Department has brought up this forecast accordingly.

Foster Care Ages 0-1: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Dec-13	780	-	-
Jan-14	759	(21)	-2.69%
Feb-14	783	24	3.16%
Mar-14	780	(3)	-0.38%
Apr-14	784	4	0.51%
May-14	759	(25)	-3.19%
Jun-14	761	2	0.26%
Jul-14	775	14	1.84%
Aug-14	782	7	0.90%
Sep-14	798	16	2.05%
Oct-14	792	(6)	-0.75%
Nov-14	785	(7)	-0.88%
Dec-14	775	(10)	-1.27%
Jan-15	777	2	0.26%
Feb-15	780	3	0.39%
Mar-15	789	9	1.15%
Apr-15	794	5	0.63%
May-15	781	(13)	-1.64%
Jun-15	787	6	0.77%
Jul-15	797	10	1.27%
Aug-15	818	21	2.63%
Sep-15	850	32	3.91%
Oct-15	843	(7)	-0.82%
Nov-15	865	22	2.61%
Dec-15	857	(8)	-0.92%

	Caseload	% Change	Level Change
FY 2007-08	1,034	-	-
FY 2008-09	1,023	-1.06%	(11)
FY 2009-10	952	-6.94%	(71)
FY 2010-11	878	-7.77%	(74)
FY 2011-12	782	-10.93%	(96)
FY 2012-13	733	-6.27%	(49)
FY 2013-14	766	4.50%	33
FY 2014-15	785	2.48%	19
FY 2015-16	843	7.39%	58
FY 2016-17	884	4.86%	41
FY 2017-18	921	4.19%	37

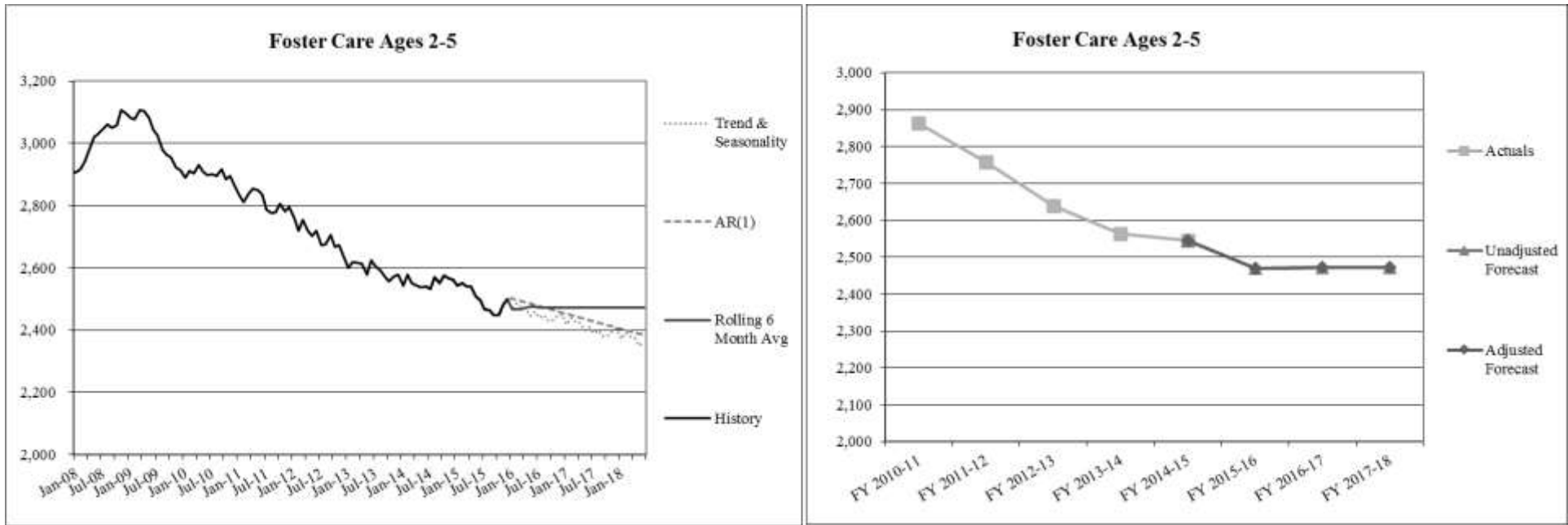
Actuals		
	Monthly Change	% Change
6-month average	12	1.45%
12-month average	7	0.85%
18-month average	5	0.67%
24-month average	3	0.41%

Monthly Average Growth Actuals		
FY 2013-14 1st Half	8	1.10%
FY 2013-14 2nd Half	(3)	-0.39%
FY 2013-14	3	0.35%
FY 2014-15 1st Half	2	0.31%
FY 2014-15 2nd Half	2	0.26%
FY 2014-15	2	0.29%
November 2015 Projection		
FY 2014-15	785	2.48%
FY 2015-16	787	0.25%
FY 2016-17	787	0.00%
FY 2017-18	787	0.00%

Monthly Average Growth Comparisons	R-1	S-1
FY 2015-16 1st Half	0	12
FY 2015-16 2nd Half	0	(1)
FY 2015-16 2nd Half to Reach R-1 Estimate		(12)
FY 2015-16	0	5
FY 2016-17 1st Half	0	7
FY 2016-17 2nd Half	0	(1)
FY 2016-17	0	3
FY 2017-18 1st Half	0	7
FY 2017-18 2nd Half	0	(1)
FY 2017-18	0	3

November 2015 Forecast	
Forecasted December 2015 Level	787

Base trend from December 2015 level			
FY 2015-16	848	7.98%	63

Foster Care, Age 2-5: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	FC 2-5	Constant, trend, monthly seasonal variables	10.09	9.52	0.7327
AR(1)	FC 2-5	Constant, AR(1)	9.23	9.17	0.9858
Rolling 6 Month Avg			NA	NA	NA

Foster Care Ages 2-5: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	2,564	2,545	-3.06%	2,467	(78)	(3)
AR(1)	2,564	2,545	-2.55%	2,480	(65)	(1)
Rolling 6 Month Avg	2,564	2,545	-2.99%	2,469	(76)	(2)

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	2,545	2,467	-1.50%	2,430	(37)	(4)
AR(1)	2,545	2,480	-1.01%	2,455	(25)	(4)
Rolling 6 Month Avg	2,545	2,469	0.12%	2,472	3	0

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	2,467	2,430	-1.98%	2,382	(48)	(4)
AR(1)	2,480	2,455	-2.00%	2,406	(49)	(4)
Rolling 6 Month Avg	2,469	2,472	0.04%	2,473	1	0

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Foster Care, Age 2-5: Trend Selections

FY 2015-16: -2.99%

FY 2016-17: 0.12%

FY 2017-18: 0.04%

Foster Care, Age 2-5: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with four age group sub-categories, to increase forecast accuracy. The Department has adjusted this forecast slightly downward based on FY 2015-16 six-month actuals.

Foster Care Ages 2-5: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Dec-13	2,579	-	-
Jan-14	2,544	(35)	-1.36%
Feb-14	2,577	33	1.30%
Mar-14	2,552	(25)	-0.97%
Apr-14	2,543	(9)	-0.35%
May-14	2,538	(5)	-0.20%
Jun-14	2,539	1	0.04%
Jul-14	2,531	(8)	-0.32%
Aug-14	2,569	38	1.50%
Sep-14	2,551	(18)	-0.70%
Oct-14	2,576	25	0.98%
Nov-14	2,567	(9)	-0.35%
Dec-14	2,562	(5)	-0.19%
Jan-15	2,542	(20)	-0.78%
Feb-15	2,552	10	0.39%
Mar-15	2,541	(11)	-0.43%
Apr-15	2,541	0	0.00%
May-15	2,507	(34)	-1.34%
Jun-15	2,498	(9)	-0.36%
Jul-15	2,467	(31)	-1.24%
Aug-15	2,465	(2)	-0.08%
Sep-15	2,447	(18)	-0.73%
Oct-15	2,447	0	0.00%
Nov-15	2,480	33	1.35%
Dec-15	2,500	20	0.81%

	Caseload	% Change	Level Change
FY 2007-08	2,952	-	-
FY 2008-09	3,077	4.23%	125
FY 2009-10	2,933	-4.68%	(144)
FY 2010-11	2,864	-2.35%	(69)
FY 2011-12	2,759	-3.67%	(105)
FY 2012-13	2,640	-4.31%	(119)
FY 2013-14	2,564	-2.88%	(76)
FY 2014-15	2,545	-0.74%	(19)
FY 2015-16	2,469	-2.99%	(76)
FY 2016-17	2,472	0.12%	3
FY 2017-18	2,473	0.04%	1

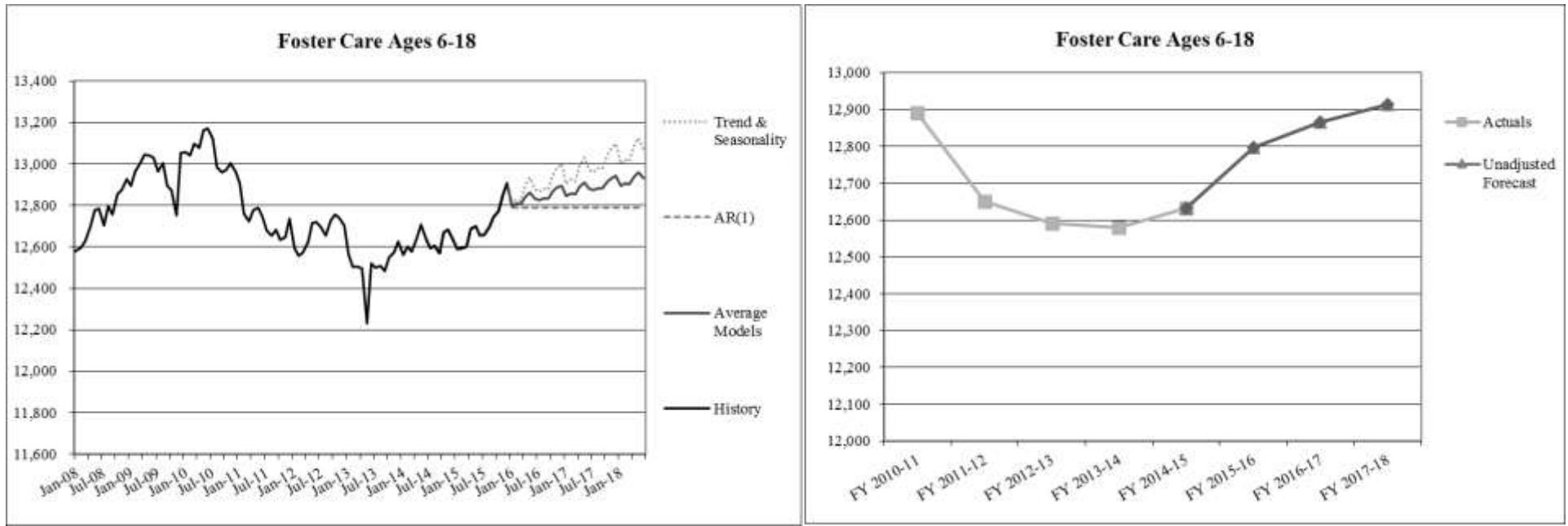
Actuals		
	Monthly Change	% Change
6-month average	0	0.02%
12-month average	(5)	-0.20%
18-month average	(2)	-0.08%
24-month average	(3)	-0.13%

Monthly Average Growth Actuals		
FY 2013-14 1st Half	(8)	-0.29%
FY 2013-14 2nd Half	(7)	-0.26%
FY 2013-14	(7)	-0.27%
FY 2014-15 1st Half	4	0.15%
FY 2014-15 2nd Half	(11)	-0.42%
FY 2014-15	(3)	-0.13%
November 2015 Projection		
FY 2014-15	2,545	-0.74% (19)
FY 2015-16	2,523	-0.86% (22)
FY 2016-17	2,522	-0.04% (1)
FY 2017-18	2,522	0.00% 0

Monthly Average Growth Comparisons	R-1	S-1
FY 2015-16 1st Half	4	0
FY 2015-16 2nd Half	0	(4)
FY 2015-16 2nd Half to Reach R-1 Estimate		4
FY 2015-16	2	(2)
FY 2016-17 1st Half	(0)	(0)
FY 2016-17 2nd Half	(0)	(0)
FY 2016-17	(0)	(0)
FY 2017-18 1st Half	(0)	0
FY 2017-18 2nd Half	(0)	0
FY 2017-18	(0)	0

November 2015 Forecast	
Forecasted December 2015 Level	2,520

Base trend from December 2015 level			
FY 2015-16	2,484	-2.40%	(61)

Foster Care, Age 6-18: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	FC 6-18	Constant, trend, monthly seasonal variables	11.6	10.99	0.7122
AR(1)	FC 6-18	Constant, AR(1)	11.52	11.47	0.8416
Average Models			NA	NA	NA

Foster Care Ages 6-18: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	12,580	12,632	1.46%	12,816	184	19
AR(1)	12,580	12,632	1.16%	12,779	147	11
Average Models	12,580	12,632	1.31%	12,797	165	15

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	12,632	12,816	0.98%	12,942	126	8
AR(1)	12,632	12,779	0.06%	12,787	8	0
Average Models	12,632	12,797	0.53%	12,865	68	4

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	12,816	12,942	0.74%	13,038	96	8
AR(1)	12,779	12,787	0.00%	12,787	0	0
Average Models	12,797	12,865	0.37%	12,913	48	4

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Foster Care, Age 6-18: Trend Selections

FY 2015-16: 1.31%

FY 2016-17: 0.53%

FY 2017-18: 0.37%

Foster Care, Age 6-18: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with four age group sub-categories, to increase forecast accuracy. The Department has adjusted this forecast based on the FY 2015-16 six-month actuals.

Foster Care Ages 6-18: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Dec-13	12,624	-	-
Jan-14	12,560	(64)	-0.51%
Feb-14	12,601	41	0.33%
Mar-14	12,577	(24)	-0.19%
Apr-14	12,642	65	0.52%
May-14	12,707	65	0.51%
Jun-14	12,636	(71)	-0.56%
Jul-14	12,594	(42)	-0.33%
Aug-14	12,605	11	0.09%
Sep-14	12,568	(37)	-0.29%
Oct-14	12,671	103	0.82%
Nov-14	12,683	12	0.09%
Dec-14	12,634	(49)	-0.39%
Jan-15	12,591	(43)	-0.34%
Feb-15	12,593	2	0.02%
Mar-15	12,602	9	0.07%
Apr-15	12,688	86	0.68%
May-15	12,700	12	0.09%
Jun-15	12,656	(44)	-0.35%
Jul-15	12,659	3	0.02%
Aug-15	12,693	34	0.27%
Sep-15	12,742	49	0.39%
Oct-15	12,772	30	0.24%
Nov-15	12,849	77	0.60%
Dec-15	12,906	57	0.44%

	Caseload	% Change	Level Change
FY 2007-08	12,632	-	-
FY 2008-09	12,908	2.18%	276
FY 2009-10	13,012	0.81%	104
FY 2010-11	12,892	-0.92%	(120)
FY 2011-12	12,651	-1.87%	(241)
FY 2012-13	12,591	-0.47%	(60)
FY 2013-14	12,580	-0.09%	(11)
FY 2014-15	12,632	0.41%	52
FY 2015-16	12,797	1.31%	165
FY 2016-17	12,865	0.53%	68
FY 2017-18	12,913	0.37%	48

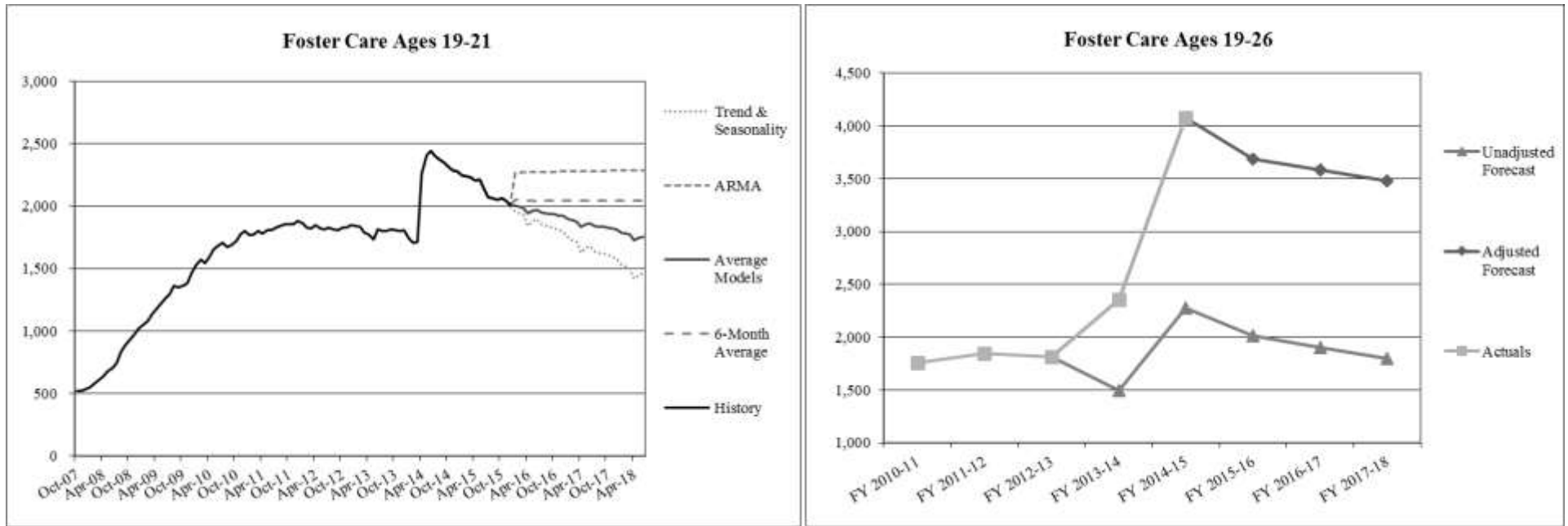
Actuals		
	Monthly Change	% Change
6-month average	42	0.33%
12-month average	23	0.18%
18-month average	15	0.12%
24-month average	12	0.09%

Monthly Average Growth Actuals		
FY 2013-14 1st Half	17	0.14%
FY 2013-14 2nd Half	2	0.02%
FY 2013-14	10	0.08%
FY 2014-15 1st Half	(0)	0.00%
FY 2014-15 2nd Half	4	0.03%
FY 2014-15	2	0.01%
November 2015 Projection		
FY 2014-15	12,632	0.41%
FY 2015-16	12,669	0.29%
FY 2016-17	12,693	0.19%
FY 2017-18	12,717	0.19%

Monthly Average Growth Comparisons	R-1	S-1
FY 2015-16 1st Half	2	42
FY 2015-16 2nd Half	2	(12)
FY 2015-16 2nd Half to Reach R-1 Estimate		(38)
FY 2015-16	2	15
FY 2016-17 1st Half	2	10
FY 2016-17 2nd Half	2	(2)
FY 2016-17	2	4
FY 2017-18 1st Half	2	10
FY 2017-18 2nd Half	2	(2)
FY 2017-18	2	4

November 2015 Forecast	
Forecasted December 2015 Level	12,668

Base trend from December 2015 level			
FY 2015-16	12,838	1.63%	206

Foster Care, Age 19-26: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	FC 19-21	Constant, dummy for April 2014 forward, trend, monthly seasonal variables	11.99	11.38	0.9347
ARMA	FC 19-21	Constant, dummy for April 2014 forward, AR(1), MA(1)	9.89	9.79	0.9957
Average Models			NA	NA	NA
6-Month Average			NA	NA	NA

Foster Care Ages 19-26: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	1,493	2,274	-12.93%	1,980	(294)	(2)
ARMA	1,493	2,274	-4.97%	2,161	(113)	(142)
Average Models	1,493	2,274	-11.43%	2,014	(260)	15
6-Month Average	1,493	2,274	-9.94%	2,048	(226)	47

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	2,274	1,980	-11.06%	1,761	(219)	0
ARMA	2,274	2,161	5.41%	2,278	117	0
Average Models	2,274	2,014	-5.56%	1,902	(112)	(18)
6-Month Average	2,274	2,048	-0.24%	2,043	(5)	1

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	1,980	1,761	-12.15%	1,547	(214)	0
ARMA	2,161	2,278	0.31%	2,285	7	0
Average Models	2,014	1,902	-5.63%	1,795	(107)	(18)
6-Month Average	2,048	2,043	0.00%	2,043	0	0

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Foster Care, Age 19-26: Trend Selections

FY 2015-16: -9.50%

FY 2016-17: -2.77%

FY 2017-18: -2.98%

Foster Care, Age 19-26: Justifications

Beginning with the November 2015 forecast, the Department has begun estimating this eligibility category with four age group sub-categories, to increase forecast accuracy. FY 2015-16 six-month actual average monthly growth was -23 clients per month, much lower than the estimate in the November 2015 forecast. The Department has adjusted the current forecast accordingly.

Foster Care Ages 19-26: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Dec-13	1,810	-	-
Jan-14	1,821	11	0.61%
Feb-14	1,783	(38)	-2.09%
Mar-14	1,795	12	0.67%
Apr-14	3,557	1,762	98.16%
May-14	4,164	607	17.06%
Jun-14	4,332	168	4.03%
Jul-14	4,290	(42)	-0.97%
Aug-14	4,257	(33)	-0.77%
Sep-14	4,207	(50)	-1.17%
Oct-14	4,148	(59)	-1.40%
Nov-14	4,105	(43)	-1.04%
Dec-14	4,085	(20)	-0.49%
Jan-15	4,041	(44)	-1.08%
Feb-15	4,007	(34)	-0.84%
Mar-15	3,993	(14)	-0.35%
Apr-15	3,959	(34)	-0.85%
May-15	3,957	(2)	-0.05%
Jun-15	3,850	(107)	-2.70%
Jul-15	3,655	(195)	-5.06%
Aug-15	3,700	45	1.23%
Sep-15	3,737	37	1.00%
Oct-15	3,752	15	0.40%
Nov-15	3,742	(10)	-0.27%
Dec-15	3,712	(30)	-0.80%

November 2015 Forecast

Forecasted December 2015 Level	3,937
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Base trend from December 2015 level

FY 2015-16	3,714	-8.83%	(360)
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	Caseload	% Change	Level Change
FY 2007-08	592	-	-
FY 2008-09	1,025	73.14%	433
FY 2009-10	1,484	44.78%	459
FY 2010-11	1,759	18.53%	275
FY 2011-12	1,844	4.83%	85
FY 2012-13	1,813	-1.68%	(31)
FY 2013-14	1,493	-17.66%	(320)
FY 2014-15	2,274	52.33%	781
FY 2015-16	2,014	-11.43%	(260)
FY 2016-17	1,902	-5.56%	(112)
FY 2017-18	1,795	-5.63%	(107)

SB 13-200 Medicaid Expansion Adjustment

FY 2014-15	1,800
FY 2015-16	1,673
FY 2016-17	1,683
FY 2017-18	1,683

February 2016 Projections After Adjustments

FY 2014-15	4,074	172.90%	2,581
FY 2015-16	3,687	-9.50%	(387)
FY 2016-17	3,585	-2.77%	(102)
FY 2017-18	3,478	-2.98%	(107)

Actuals

	Monthly Change	% Change
6-month average	(23)	-0.58%
12-month average	(31)	-0.78%
18-month average	(34)	-0.85%
24-month average	79	4.30%

Monthly Average Growth Actuals

FY 2013-14 1st Half	(1)	-0.04%
FY 2013-14 2nd Half	420	19.74%
FY 2013-14	210	9.85%
FY 2014-15 1st Half	(41)	-0.97%
FY 2014-15 2nd Half	(39)	-0.98%
FY 2014-15	(40)	-0.98%
November 2015 Projection Before Adjustments		
FY 2014-15	2,274	18.13%
FY 2015-16	2,200	-3.25%
FY 2016-17	2,198	-0.09%
FY 2017-18	2,198	0.00%

SB 13-200 Medicaid Expansion Adjustment

FY 2014-15	1,800
FY 2015-16	1,744
FY 2016-17	1,743
FY 2017-18	1,742

November 2015 Projection After Adjustments

FY 2014-15	4,074	111.64%	2,149
FY 2015-16	3,944	-3.19%	(130)
FY 2016-17	3,941	-0.08%	(3)
FY 2017-18	3,940	-0.03%	(1)

Monthly Average Growth Comparisons

	R-1	S-1
FY 2015-16 1st Half	14	(23)
FY 2015-16 2nd Half	14	(16)
FY 2015-16 2nd Half to Reach R-1 Estimate		52
FY 2015-16	14	(19)
FY 2016-17 1st Half	(13)	(5)
FY 2016-17 2nd Half	(13)	(5)
FY 2016-17	(13)	(5)
FY 2017-18 1st Half	11	(12)
FY 2017-18 2nd Half	11	(12)
FY 2017-18	11	(12)

MAGI Eligible Pregnant Adults

Between 1986 and 1991, Congress extended Medicaid to new groups of pregnant women and children. Referred to as Baby and Kid Care in Colorado, the program was authorized through the Medicare Catastrophic Coverage Act of 1988. The program enrolls Baby Care women and Kid Care children (see the Eligible Children section of this document for information on children). Baby Care-Adults are women with incomes up to 185% FPL beginning January 1, 2013 (195% FPL after income disregards are applied in October 2013). Coverage includes prenatal care and delivery services, plus 60 days of postpartum care. The Baby and Kid Care Program serves a much higher income level than the 1931 families program, and pregnant mothers were never subject to resource/asset limitations to qualify for the program. Moreover, the Baby and Kid Care Program has never had a cash-assistance component and was unaffected by welfare reform.

25.5-5-101 (1), C.R.S.

(m) Low-income pregnant women, and children through the age of six, whose income is at or below a certain percentage of the federal poverty level as determined by the federal government;

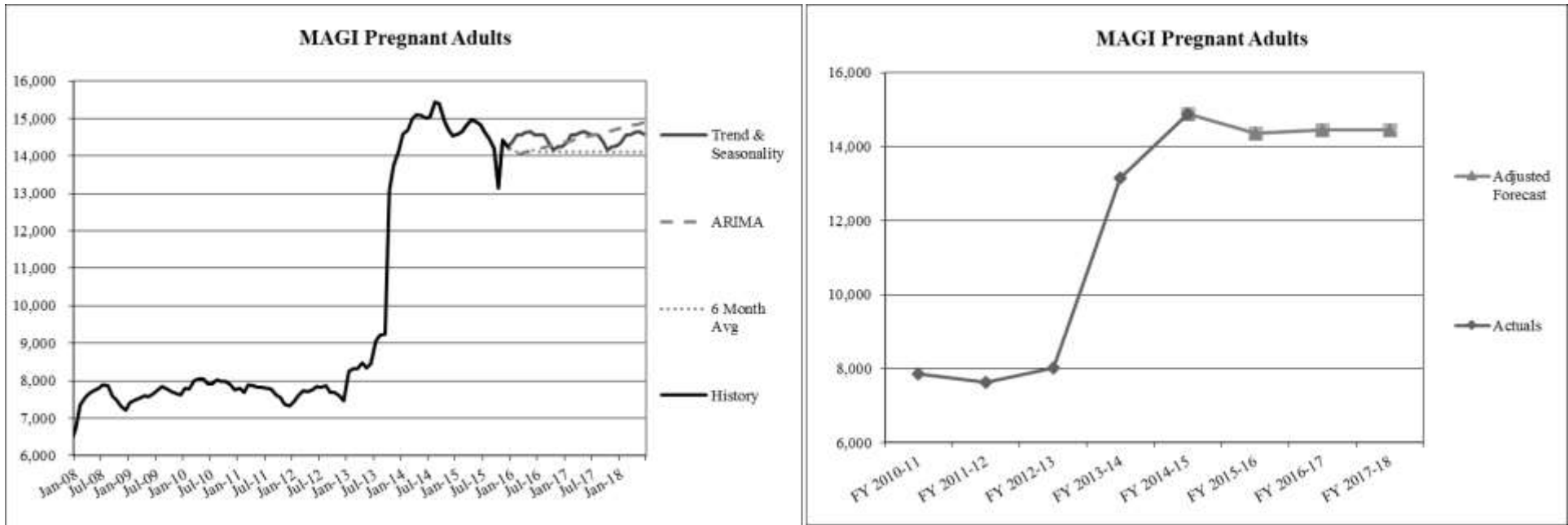
25.5-5-201 (2), C.R.S.

(b) Notwithstanding the five-year waiting period established in paragraph (a) of this subsection (2), but subject to the availability of sufficient appropriations and the receipt of federal financial participation, the state department may provide benefits under this article and articles 4 and 6 of this title to a pregnant woman who is a qualified alien and a child under nineteen years of age who is a qualified alien so long as such woman or child meets eligibility criteria other than citizenship.

25.5-5-205 (3), C.R.S.

(a) On and after April 1, 1990, children under the age of six years and pregnant women shall be eligible for benefits under the baby and kid care program...

(II) For pregnant women, the percentage level of the federal poverty line, as defined pursuant to 42 U.S.C. sec. 9902 (2), used to determine eligibility under this subsection (3) shall be one hundred eighty-five percent. If the federal government establishes a new federal minimum percentage level of the federal poverty line used to determine eligibility under this subsection (3) that is different from the level set in this subparagraph (II), the state department is authorized to meet such federal minimum level without requiring additional legislation; however, such minimum federal level shall be established by rule of the state board.

MAGI Pregnant Adults: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	MAGI Pregnant	Constant, dummy for SB 11-250, dummy for Oct 2013 forward, trend, monthly seasonal variables	17.34	17.14	0.7581
ARIMA	d(MAGI Pregnant)	Constant, dummy for Oct 2013 forward, AR(2), MA(1)	14.68	14.55	0.4158
6 Month Avg			NA	NA	NA

MAGI Pregnant Adults: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	13,160	14,897	-3.54%	14,370	(527)	(21)
ARIMA	13,160	14,897	-5.09%	14,139	(758)	(55)
6 Month Avg	13,160	14,897	-5.01%	14,151	(746)	(57)

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	14,897	14,370	0.62%	14,459	89	0
ARIMA	14,897	14,139	1.57%	14,361	222	30
6 Month Avg	14,897	14,151	-0.28%	14,111	(40)	(2)

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	14,370	14,459	0.01%	14,460	1	0
ARIMA	14,139	14,361	2.52%	14,723	362	30
6 Month Avg	14,151	14,111	0.01%	14,112	1	0

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

MAGI Pregnant Adults: Trend Selections

FY 2015-16: -3.54%

FY 2016-17: 0.62%

FY 2017-18: 0.01%

MAGI Pregnant Adults: Justifications

- Average monthly caseload in FY 2014-15 for MAGI Pregnant Adults was 14,897, which was only 14 clients, or 0.01%, above what was forecasted in February 2015. Six-month actuals in FY 2015-16 are much lower than what was forecasted in November 2015; therefore, the Department has adjusted the forecast accordingly.
- In October 2013, over 3,000 clients were moved from MAGI Parents/Caretakers categories into MAGI Pregnant Adults. This was a one-time change in how pregnant adults were categorized by eligibility.
- Presumptive eligibility allows pregnant women who had applied for Medicaid to receive services based on self-declaration until the status of their application has been determined. The State paid for all Medicaid costs during this time regardless of whether or not the woman was eventually found to be Medicaid eligible or not. On September 1, 2004, the Department discontinued this procedure, which explains the drop of nearly 2,500 clients in September and October 2004, as well as the corresponding decline in fiscal year average caseload. Presumptive eligibility was reinstated by HB 05-1262 (Tobacco Tax bill) effective July 1, 2005.
- In FY 2009-10, the Department received approval from the Centers for Medicare and Medicaid Services to grant full Medicaid eligibility to pregnant women who are legal permanent residents that have been in the country for less than 5 years, as authorized by the Children's Health Insurance Reauthorization Act of 2009 (CHIPRA). As a result, the Department has restated the FY 2009-10 monthly caseload for this eligibility type to include clients who had previously been in the State-only Prenatal population. These clients are now included in the base caseload.
- The Colorado Department of Public Health & Environment Family Planning Initiative was awarded a grant for approximately \$3.5 million to address the issue of unintended pregnancy in Colorado for Title X clients, the vast majority of which are under 200% of the federal poverty level. Out-year trends are moderate due to this Family Planning initiative (as well as the Family Planning waiver to be submitted by the Department pursuant to SB 08-003).

MAGI Pregnant Adults: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Dec-13	14,140	-	-
Jan-14	14,582	442	3.13%
Feb-14	14,691	109	0.75%
Mar-14	14,991	300	2.04%
Apr-14	15,093	102	0.68%
May-14	15,086	(7)	-0.05%
Jun-14	15,007	(79)	-0.52%
Jul-14	15,038	31	0.21%
Aug-14	15,436	398	2.65%
Sep-14	15,386	(50)	-0.32%
Oct-14	14,938	(448)	-2.91%
Nov-14	14,691	(247)	-1.65%
Dec-14	14,542	(149)	-1.01%
Jan-15	14,590	48	0.33%
Feb-15	14,643	53	0.36%
Mar-15	14,804	161	1.10%
Apr-15	14,954	150	1.01%
May-15	14,914	(40)	-0.27%
Jun-15	14,822	(92)	-0.62%
Jul-15	14,627	(195)	-1.32%
Aug-15	14,466	(161)	-1.10%
Sep-15	14,204	(262)	-1.81%
Oct-15	13,139	(1,065)	-7.50%
Nov-15	14,428	1,289	9.81%
Dec-15	14,252	(176)	-1.22%

November 2015 Forecast

Forecasted December 2015 Level	14,762
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Base trend from December 2015 level

FY 2015-16	14,219	-4.55%	(678)
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	Caseload	% Change	Level Change
FY 2002-03	7,823	-	-
FY 2003-04	8,398	7.35%	575
FY 2004-05	5,984	-28.74%	(2,414)
FY 2005-06	5,119	-14.46%	(865)
FY 2006-07	5,182	1.23%	63
FY 2007-08	6,288	21.34%	1,106
FY 2008-09	6,976	10.94%	688
FY 2009-10	7,830	12.24%	854
FY 2010-11	7,868	0.49%	38
FY 2011-12	7,630	-3.02%	(238)
FY 2012-13	8,024	5.16%	394
FY 2013-14	13,160	64.01%	5,136
FY 2014-15	14,897	13.20%	1,737
FY 2015-16	14,370	-3.54%	(527)
FY 2016-17	14,459	0.62%	89
FY 2017-18	14,460	0.01%	1

Actuals

	Monthly Change	% Change
6-month average	(95)	-0.52%
12-month average	(24)	-0.10%
18-month average	(42)	-0.24%
24-month average	5	0.07%

Monthly Average Growth Actuals

FY 2013-14 1st Half	947	9.77%
FY 2013-14 2nd Half	145	1.00%
FY 2013-14	546	5.39%
FY 2014-15 1st Half	(78)	-0.51%
FY 2014-15 2nd Half	47	0.32%
FY 2014-15	(15)	-0.09%

November 2015 Projection

FY 2014-15	14,897	13.20%	1,737
FY 2015-16	14,830	-0.45%	(67)
FY 2016-17	14,916	0.58%	86
FY 2017-18	15,020	0.70%	104

Monthly Average Growth Comparisons

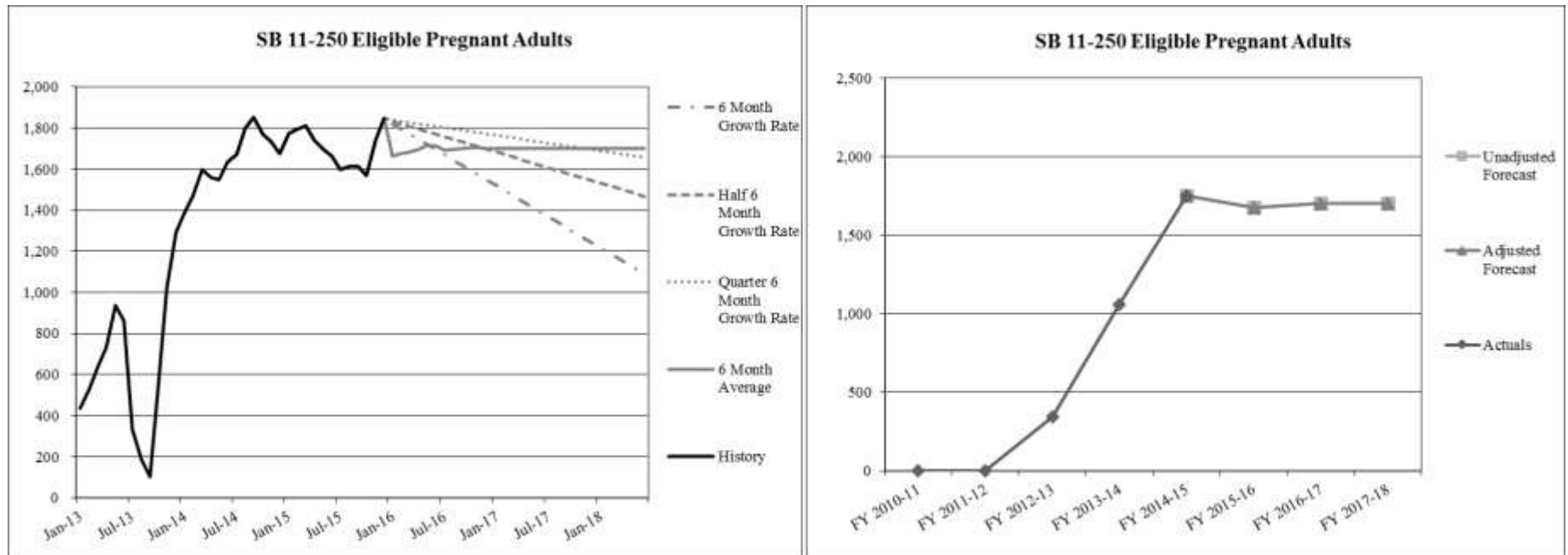
	R-1	S-1
FY 2015-16 1st Half	(10)	(95)
FY 2015-16 2nd Half	22	53
FY 2015-16 2nd Half to Reach R-1 Estimate		107
FY 2015-16	6	(21)
FY 2016-17 1st Half	(9)	(53)
FY 2016-17 2nd Half	26	53
FY 2016-17	9	0
FY 2017-18 1st Half	(8)	(53)
FY 2017-18 2nd Half	26	53
FY 2017-18	9	0

SB 11-250 Eligible Pregnant Adults

Prior to the implementation of SB 11-250 in January 2013, pregnant adults whose family income was under 133% FPL were eligible for Medicaid. SB 11-250 increased the FPL threshold up to 185% FPL, 195% FPL with income disregards applied after October 2013. Services for clients that would have been eligible for CHP+, before the implementation of SB 11-008, receive the enhanced CHP+ federal match. These clients are identified as Medicaid eligible pregnant adults with incomes above 142% FPL and have no other insurance.

25.5-5-205 (3), C.R.S.

(b) (II) For pregnant women, the percentage level of the federal poverty line, as defined pursuant to 42 U.S.C. sec. 9902 (2), used to determine eligibility under this subsection (3) shall be one hundred eighty-five percent. If the federal government establishes a new federal minimum percentage level of the federal poverty line used to determine eligibility under this subsection (3) that is different from the level set in this subparagraph (II), the state department is authorized to meet such federal minimum level without requiring additional legislation; however, such minimum federal level shall be established by rule of the state board.

SB 11-250 Eligible Pregnant Adults: Model Results

SB 11-250 Eligible Pregnant Adults: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
6 Month Growth Rate	1,057	1,749	-2.17%	1,711	(38)	2
Half 6 Month Growth Rate	1,057	1,749	-0.91%	1,733	(16)	9
Quarter 6 Month Growth Rate	1,057	1,749	-0.29%	1,744	(5)	12
6 Month Average	1,057	1,749	-4.06%	1,678	(71)	4

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
6 Month Growth Rate	1,749	1,711	-10.52%	1,531	(180)	(25)
Half 6 Month Growth Rate	1,749	1,733	-2.54%	1,689	(44)	(13)
Quarter 6 Month Growth Rate	1,749	1,744	1.32%	1,767	23	(6)
6 Month Average	1,749	1,678	1.31%	1,700	22	(1)

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
6 Month Growth Rate	1,711	1,531	-19.73%	1,229	(302)	(25)
Half 6 Month Growth Rate	1,733	1,689	-9.00%	1,537	(152)	(13)
Quarter 6 Month Growth Rate	1,744	1,767	-4.24%	1,692	(75)	(6)
6 Month Average	1,678	1,700	0.06%	1,701	1	0

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

SB 11-250 Eligible Pregnant Adults: Trend Selections

FY 2015-16: -4.06%

FY 2016-17: 1.31%

FY 2017-18: 0.06%

SB 11-250 Eligible Pregnant Adults: Justifications

- Average monthly caseload in FY 2014-15 for SB 11-250 Eligible Pregnant Adults was 1,749, which was 2 clients, or 0.11%, under what was forecasted in February 2015. The Department has adjusted the forecast slightly downward from the November 2015 forecast, based on six-month actuals for FY 2015-16.
- Data issues from July 2013 through November 2013 prevented the Department from identifying these clients, significant drops in caseload can be seen for these months. The Department believes that these issues have been resolved and all appropriate clients can now be identified.
- These clients are identified as Medicaid eligible pregnant adults with incomes above 142% FPL and no other insurance.
- SB 11-250 was implemented in January 2013 and this population only has 18 observations. The Department has used growth trends from the applicable CHP+ population from FY 2011-12 as well as the most recent monthly average growth to analyze the trend for this population.

SB 11-250 Eligible Pregnant Adults: Historical Caseload and Projections

	Actuals	Monthly Change	% Change		Caseload	% Change	Level Change	Monthly Average Growth Actuals		
Dec-13	1,293	-	-	FY 2002-03	-	-	-	FY 2013-14 1st Half	72	64.40%
Jan-14	1,390	97	7.50%	FY 2003-04	-	-	-	FY 2013-14 2nd Half	57	4.06%
Feb-14	1,471	81	5.83%	FY 2004-05	-	-	-	FY 2013-14	64	34.23%
Mar-14	1,596	125	8.50%	FY 2005-06	-	-	-	FY 2014-15 1st Half	7	0.50%
Apr-14	1,559	(37)	-2.32%	FY 2006-07	-	-	-	FY 2014-15 2nd Half	(2)	-0.05%
May-14	1,549	(10)	-0.64%	FY 2007-08	-	-	-	FY 2014-15	3	0.23%
Jun-14	1,634	85	5.49%	FY 2008-09	-	-	-			
Jul-14	1,672	38	2.33%	FY 2009-10	-	-	-			
Aug-14	1,800	128	7.66%	FY 2010-11	-	-	-			
Sep-14	1,854	54	3.00%	FY 2011-12	-	-	-			
Oct-14	1,769	(85)	-4.58%	FY 2012-13	344	-	344			
Nov-14	1,733	(36)	-2.04%	FY 2013-14	1,057	207.27%	713			
Dec-14	1,675	(58)	-3.35%	FY 2014-15	1,749	65.47%	692			
Jan-15	1,772	97	5.79%	FY 2015-16	1,678	-4.06%	(71)			
Feb-15	1,795	23	1.30%	FY 2016-17	1,700	1.31%	22			
Mar-15	1,810	15	0.84%	FY 2017-18	1,701	0.06%	1			
Apr-15	1,743	(67)	-3.70%							
May-15	1,694	(49)	-2.81%							
Jun-15	1,665	(29)	-1.71%							
Jul-15	1,596	(69)	-4.14%							
Aug-15	1,615	19	1.19%							
Sep-15	1,614	(1)	-0.06%							
Oct-15	1,568	(46)	-2.85%							
Nov-15	1,743	175	11.16%							
Dec-15	1,846	103	5.91%							

Non-Citizens – Emergency Services Only

Section 403 of the Personal Responsibility Work Opportunity Reconciliation Act provides that certain immigrants arriving in the United States after August 22, 1996 are ineligible for full Medicaid benefits for their first five years of residence. The five-year ban only applies to immigrants who arrived in the United States after August 22, 1996. Full Medicaid coverage of individuals for the first five years is optional. Per federal regulations, states must provide mandatory full coverage for:

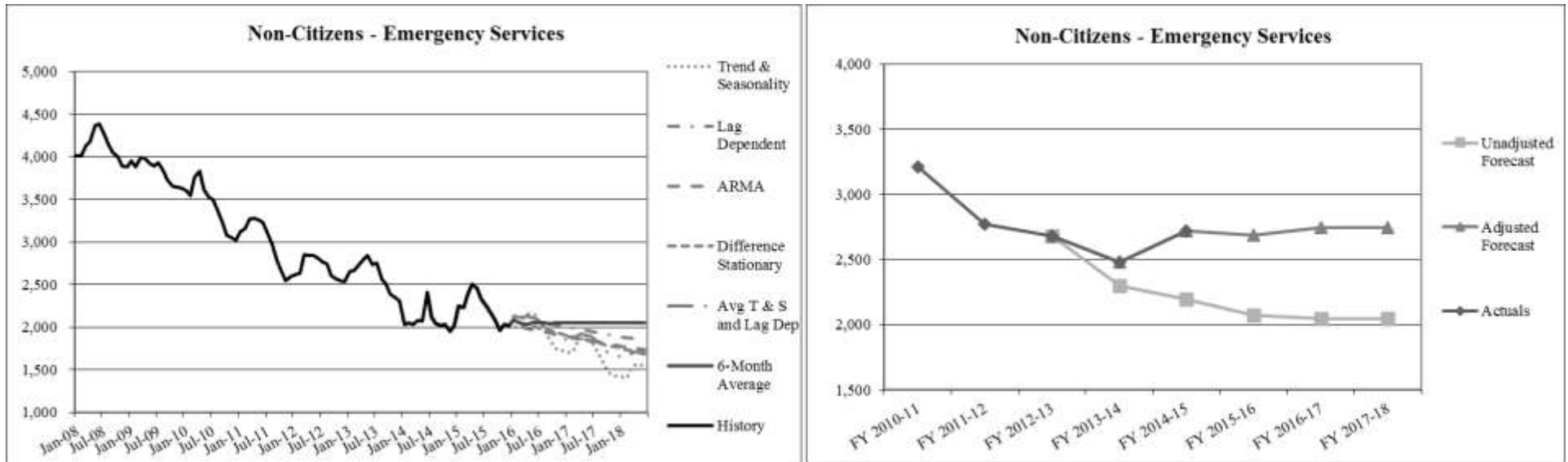
- Refugees for the first seven years after entry into the United States;
- Asylees for the first seven years after asylum is granted;
- Individuals whose deportation is being withheld for the first seven years after the initial withhold;
- Victims of trafficking;
- Lawful permanent residents who have 40 qualifying quarters of Social Security coverage;
- Cuban or Haitian entrants; and,
- Immigrants who are honorably discharged veterans of the United States military.

Regardless of whether the individual is an optional or mandatory immigrant, federal law requires all states to provide emergency medical services for individuals who otherwise meet Medicaid eligibility criteria, except for proof of U.S. citizenship.

In April 2001, an eligibility policy change was implemented such that clients are now only counted as eligible in the months they receive emergency medical care. Prior to this policy change, eligibility for this group continued as it would for any other category, although only for emergency medical services. For example, a Non-Citizen with an emergency visit on April 2000 could be eligible in that month, and continue to be eligible for as many months as he/she met other eligibility criteria. The same client would only be eligible for one month, had the emergency service occurred in April 2001. Thus, caseloads presented from April 2001 and forward are much lower than in previous years.

25.5-5-103 (3), C.R.S.

(a) Emergency medical assistance shall be provided to any person who is not a citizen of the United States, including undocumented aliens, aliens who are not qualified aliens, and qualified aliens who entered the United States on or after August 22, 1996, who has an emergency medical condition and meets one of the categorical requirements set forth in section 25.5-5-101; except that such persons shall not be required to meet any residency requirement other than that required by federal law.

Non-Citizens- Emergency Services Only: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	Non-citizens	Constant, trend, monthly seasonal variables	13.74	13.40	0.9344
Lag Dependent	Non-citizens	Constant and 6 lags of the dependent variable	12.22	12.03	0.9822
ARMA	Non-citizens	Constant, AR(1), MA(6)	12.11	11.9	0.9846
Difference Stationary	dlog(Non-citizens)	Constant and 5 lags of the dependent variable	-3.6	-3.76	0.1767
Avg T & S and Lag Dep			NA	NA	NA
6-Month Average			NA	NA	NA

Non-Citizens- Emergency Services: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	2,297	2,196	-4.78%	2,091	(105)	131
Lag Dependent	2,297	2,196	-4.64%	2,094	(102)	126
ARMA	2,297	2,196	-7.10%	2,040	(156)	117
Difference Stationary	2,297	2,196	-6.10%	2,062	(134)	120
Avg T & S and Lag Dep	2,297	2,196	-4.69%	2,093	(103)	129
6-Month Average	2,297	2,196	-5.69%	2,071	(125)	124

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	2,196	2,091	-12.82%	1,823	(268)	(25)
Lag Dependent	2,196	2,094	-4.25%	2,005	(89)	(10)
ARMA	2,196	2,040	-7.16%	1,894	(146)	(10)
Difference Stationary	2,196	2,062	-7.32%	1,911	(151)	(14)
Avg T & S and Lag Dep	2,196	2,093	-8.55%	1,914	(179)	(17)
6-Month Average	2,196	2,071	-1.06%	2,049	(22)	0

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	2,091	1,823	-16.18%	1,528	(295)	(25)
Lag Dependent	2,094	2,005	-5.64%	1,892	(113)	(9)
ARMA	2,040	1,894	-5.97%	1,781	(113)	(9)
Difference Stationary	2,062	1,911	-8.22%	1,754	(157)	(13)
Avg T & S and Lag Dep	2,093	1,914	-10.66%	1,710	(204)	(17)
6-Month Average	2,071	2,049	-0.05%	2,048	(1)	0

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Non-Citizens: Trend Selections

FY 2015-16: -1.21%

FY 2016-17: 2.12%

FY 2017-18: 0.07%

Non-Citizens: Justifications

- Average monthly caseload in FY 2014-15 for Non-Citizens was 2,722, which was 149 clients, or 5.79%, over what was forecasted in February 2015. The average monthly growth in FY 2013-14 was 7, compared to the average monthly growth in FY 2014-15 which was 5. However, average monthly growth in the first half of FY 2015-16 was -45. The Department has dampened the current forecast. Eligibility that is attributable to the expansion to 133% FPL is outlined in the chart below for CY 2015.

SB 13-200 Medicaid Expansion Actuals	
Jan-15	564
Feb-15	550
Mar-15	593
Apr-15	592
May-15	608
Jun-15	561
Jul-15	528
Aug-15	529
Sep-15	539
Oct-15	531
Nov-15	571
Dec-15	594

- The caseload declines in FY 2006-07 and FY 2007-08 may indicate that eligibility spans for the Non-Citizens clients are now being ended sooner, caused by eligibility technicians actively working more cases because they are required to collect citizenship information. In addition, it is possible that some undocumented citizens are not applying for Medicaid emergency services out of fear due to the Deficit Reduction Act and HB 06S-1023 identification requirements, even though the Medicaid application clearly states that emergency services are exempt. Although the effects of these state and federal legislations, as well as the 60-day post-partum policy change, are unquantifiable, the Department believes that these large declines are unlikely to continue.
- The Department believes that the caseload volatility in this eligibility type beginning in FY 2008-09 are somewhat related to those experienced in the Baby Care-Adults caseload, as a large portion of the Non-Citizens caseload are pregnant women. Though the cause of this volatility is unknown at this time, the Department does not anticipate that large decreases will continue.

Non-Citizens- Emergency Services: Historical Caseload and Projections

	Actuals	Monthly Change	% Change
Dec-13	2,311	-	-
Jan-14	2,309	(2)	-0.09%
Feb-14	2,374	65	2.82%
Mar-14	2,426	52	2.19%
Apr-14	2,467	41	1.69%
May-14	2,487	20	0.81%
Jun-14	2,821	334	13.43%
Jul-14	2,551	(270)	-9.57%
Aug-14	2,494	(57)	-2.23%
Sep-14	2,474	(20)	-0.80%
Oct-14	2,533	59	2.38%
Nov-14	2,444	(89)	-3.51%
Dec-14	2,541	97	3.97%
Jan-15	2,811	270	10.63%
Feb-15	2,775	(36)	-1.28%
Mar-15	2,984	209	7.53%
Apr-15	3,096	112	3.75%
May-15	3,070	(26)	-0.84%
Jun-15	2,885	(185)	-6.03%
Jul-15	2,774	(111)	-3.85%
Aug-15	2,699	(75)	-2.70%
Sep-15	2,635	(64)	-2.37%
Oct-15	2,491	(144)	-5.46%
Nov-15	2,605	114	4.58%
Dec-15	2,616	11	0.42%

November 2015 Forecast

Forecasted December 2015 Level	2,984
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Base trend from December 2015 level

FY 2015-16	2,626	-3.51%	(96)
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	Caseload	% Change	Level Change
FY 2002-03	4,084	-	-
FY 2003-04	4,793	17.36%	709
FY 2004-05	5,150	7.45%	357
FY 2005-06	6,212	20.62%	1,062
FY 2006-07	5,201	-16.27%	(1,011)
FY 2007-08	4,191	-19.42%	(1,010)
FY 2008-09	3,987	-4.87%	(204)
FY 2009-10	3,693	-7.37%	(294)
FY 2010-11	3,213	-13.00%	(480)
FY 2011-12	2,770	-13.79%	(443)
FY 2012-13	2,684	-3.10%	(86)
FY 2013-14	2,297	-14.43%	(387)
FY 2014-15	2,196	-4.38%	(101)
FY 2015-16	2,071	-5.69%	(125)
FY 2016-17	2,049	-1.06%	(22)
FY 2017-18	2,048	-0.05%	(1)

SB 13-200 Medicaid Expansion Adjustment

FY 2014-15	526
FY 2015-16	592
FY 2016-17	655
FY 2017-18	657

Changes to Verifying Lawful Presence

FY 2014-15	0
FY 2015-16	26
FY 2016-17	42
FY 2017-18	43

February 2016 Projections After Adjustments

FY 2014-15	2,722	18.52%	425
FY 2015-16	2,689	-1.21%	(33)
FY 2016-17	2,746	2.12%	57
FY 2017-18	2,748	0.07%	2

Actuals

	Monthly Change	% Change
6-month average	(45)	-1.56%
12-month average	6	0.36%
18-month average	(11)	-0.30%
24-month average	13	0.64%

Monthly Average Growth Actuals

FY 2013-14 1st Half	(71)	-2.76%
FY 2013-14 2nd Half	84	3.89%
FY 2013-14	7	0.56%
FY 2014-15 1st Half	(64)	-2.73%
FY 2014-15 2nd Half	51	2.52%
FY 2014-15	(7)	-0.11%

November 2015 Projection Before Adjustments

FY 2014-15	2,196	-4.40%	(101)
FY 2015-16	2,427	10.52%	231
FY 2016-17	2,532	4.33%	105
FY 2017-18	2,571	1.54%	39

SB 13-200 Medicaid Expansion Adjustment

FY 2014-15	526
FY 2015-16	539
FY 2016-17	530
FY 2017-18	530

Changes to Verifying Lawful Presence

FY 2014-15	0
FY 2015-16	26
FY 2016-17	42
FY 2017-18	43

November 2015 Projection After Adjustments

FY 2014-15	2,722	9.71%	241
FY 2015-16	2,992	9.92%	270
FY 2016-17	3,104	3.74%	112
FY 2017-18	3,144	1.29%	40

Monthly Average Growth Comparisons

	R-1	S-1
FY 2015-16 1st Half	16	(45)
FY 2015-16 2nd Half	16	36
FY 2015-16 2nd Half to Reach R-1 Estimate		78
FY 2015-16	16	(5)
FY 2016-17 1st Half	3	(13)
FY 2016-17 2nd Half	3	(13)
FY 2016-17	3	(13)
FY 2017-18 1st Half	3	11
FY 2017-18 2nd Half	3	11
FY 2017-18	3	11

Partial Dual Eligibles

Medicare-eligible beneficiaries who have incomes at a certain federal poverty level and limited resources may qualify to have Medicaid cover some of their out-of-pocket expenses, such as their Medicare Part B premiums and other coinsurance and deductibles. The two groups of clients that qualify for this cost-sharing program are Qualified Medicare Beneficiaries and Special Low Income Medicare Beneficiaries. This group, formerly known as Qualified Medicare Beneficiaries/Special Low Income Medicare Beneficiaries, is now collectively known as Partial Dual Eligibles. Qualified Medicare Beneficiaries have incomes at or below 100% of the federal poverty level, and resources twice the standard allowed under the federal Supplemental Security Income program. These clients receive hospital insurance and supplementary medical insurance premium coverage along with Medicare coinsurance and deductibles. Special Low Income Medicare Beneficiaries have incomes greater than 100% of the federal poverty level, but less than 120%. For Special Low Income Medicare Beneficiaries, Medicaid only pays the supplementary medical insurance premiums.

25.5-5-101 (1), C.R.S.

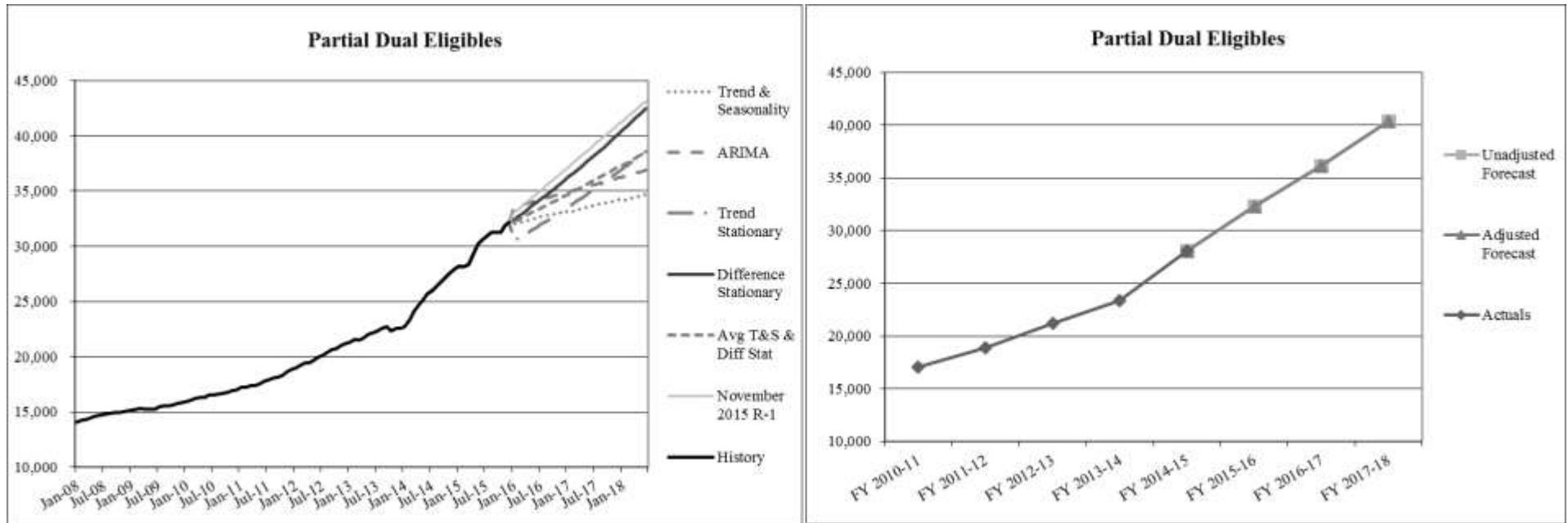
(1) Individuals with income and resources at a level which qualifies them as Medicare-eligible under section 301 of Title III of the federal "Medicare Catastrophic Coverage Act".

25.5-5-104, C.R.S.

Qualified medicare beneficiaries are medicare-eligible individuals with income and resources at a level which qualifies them as eligible under section 301 of Title III of the federal "Medicare Catastrophic Coverage Act of 1988", as amended, or subsequent amending federal legislation.

25.5-5-105, C.R.S.

Qualified disabled and working individuals are persons with income and resources and disability status, as determined by the social security administration, which qualify them as "qualified disabled and working individuals" under sections 6012 and 6408 of the federal "Omnibus Budget Reconciliation Act of 1989", or subsequent amending federal legislation. The state department is hereby designated as the single state agency to administer benefits available to qualified disabled and working individuals. Such benefits are limited to medicare cost-sharing expenses as determined by the federal government.

Partial Dual Eligibles: Model Results

Model	Dependent Variable	Independent Variables	Schwarz Info Criterion	Akaike Info Criterion	Adjusted R ²
Trend & Seasonality	Partial Duals	Constant, trend, monthly seasonal variables	18.44	18.27	0.9126
ARIMA	d(Partial Duals)	Constant, AR(1), MA(1)	13.41	13.37	0.135
Trend Stationary	log(Partial Duals)	Constant, trend, and 2 lags of the dependent variable	-4.49	-4.54	0.9986
Difference Stationary	dlog(Partial Duals)	Constant and 1 lag of the dependent variable	-4.51	-4.53	0.0076
Avg T&S & Diff Stat			N/A	N/A	N/A
November 2015 R-1			N/A	N/A	N/A

Partial Dual Eligibles: Model Results ¹						
FY 2015-16	FY 2013-14	FY 2014-15	Projected Growth Rate	Projected FY 2015-16 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	23,378	28,045	13.67%	31,879	3,834	169
ARIMA	23,378	28,045	16.41%	32,647	4,602	297
Trend Stationary	23,378	28,045	11.51%	31,273	3,228	97
Difference Stationary	23,378	28,045	15.28%	32,330	4,285	285
Avg T&S & Diff Stat	23,378	28,045	14.47%	32,103	4,058	227
November 2015 R-1	23,378	28,045	16.50%	32,672	4,627	350

FY 2016-17	FY 2014-15	Projected FY 2015-16 Caseload	Projected Growth Rate	Projected FY 2016-17 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	28,045	31,879	3.97%	33,145	1,266	89
ARIMA	28,045	32,647	6.84%	34,880	2,233	116
Trend Stationary	28,045	31,273	7.00%	33,462	2,189	271
Difference Stationary	28,045	32,330	11.70%	36,113	3,783	334
Avg T&S & Diff Stat	28,045	32,103	7.87%	34,630	2,527	211
November 2015 R-1	28,045	32,672	13.35%	37,034	4,362	350

FY 2017-18	Projected FY 2015-16 Caseload	Projected FY 2016-17 Caseload	Projected Growth Rate	Projected FY 2017-18 Caseload	Level Change	Average Monthly Change ²
Trend & Seasonality	31,879	33,145	3.21%	34,209	1,064	89
ARIMA	32,647	34,880	3.98%	36,268	1,388	116
Trend Stationary	31,273	33,462	10.25%	36,892	3,430	299
Difference Stationary	32,330	36,113	11.80%	40,374	4,261	373
Avg T&S & Diff Stat	32,103	34,630	7.69%	37,293	2,663	231
November 2015 R-1	32,672	37,034	11.34%	41,234	4,200	350

¹ Bold denotes Trend Selection

² Average monthly change is calculated as that between June of the respective fiscal year and June of the prior fiscal year. This is not directly comparable to the annual level change, which is calculated as the difference between the annual average caseload.

Partial Dual Eligibles: Trend Selections

FY 2015-16: 15.28%

FY 2016-17: 11.70%

FY 2017-18: 11.80%

Partial Dual Eligibles: Justification

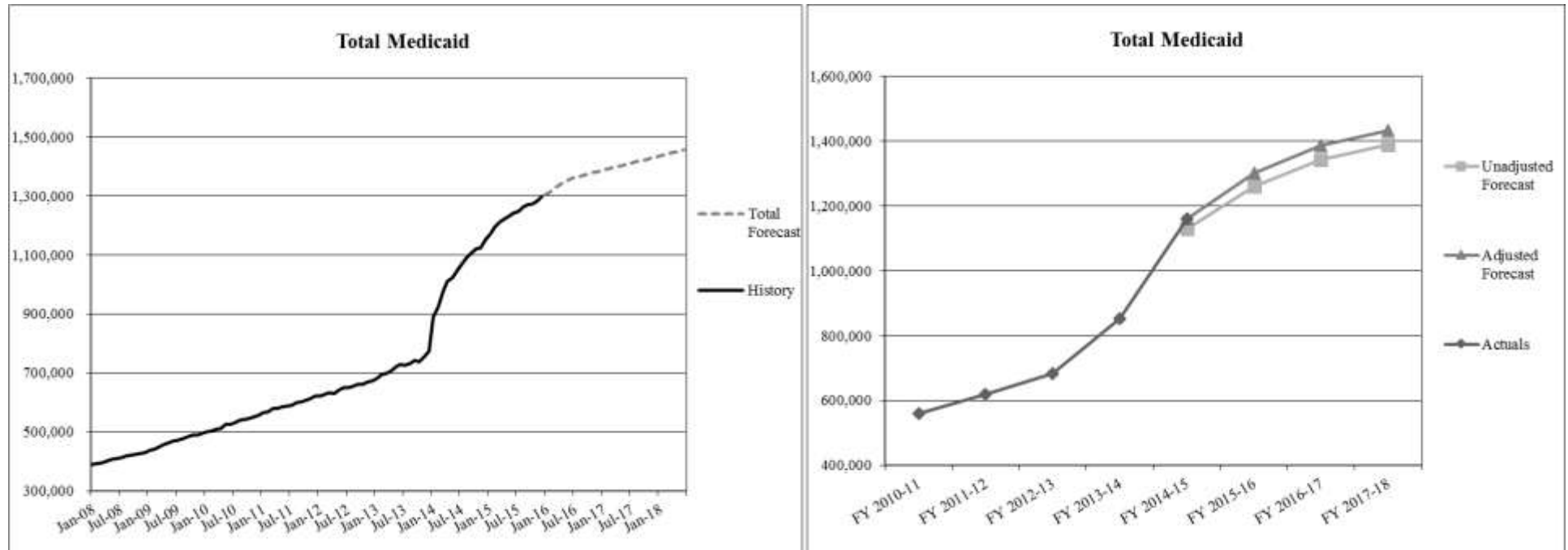
- Average monthly caseload in FY 2014-15 for Partial Dual Eligibles was 28,045, which was 79 clients, or 2.81%, under what was forecasted in February 2015. Average monthly growth in the first half of FY 2015-16 was lower than that forecasted in November 2015; the Department has adjusted the current forecast accordingly. The Department is researching reasons for the recent aggressive growth in this eligibility.
- These clients have higher income than Adults 65 and Older or Disabled Adults 60 to 64, and are relatively healthy. Given the increased life expectancy, more people are living healthier longer, which would support strong growth rates in this population. In addition, this population may start to be affected by the “baby boomers”, defined by the U.S. Census Bureau as the generation born between 1946 and 1964, beginning in calendar year 2006.
- Caseload trends are somewhat correlated with age and economic indicators. The assets and annuities provisions in the Deficit Reduction Act of 2005 may also contribute to growth in this category, as some clients who might have qualified for the Adults 65 and Older category now have too much income or assets.
- Caseload growth in this category was positive and steady between FY 1999-00 and FY 2003-04. Caseload experienced an unprecedented contraction on FY 2004-05, due to large monthly declines that occurred as a result of the court order regarding the Colorado Benefits Management System. The relatively strong growth since the beginning of FY 2005-06 may be due to a wood work effect from the Medicare Modernization Act, under which Medicare Part D clients are screened for Medicaid as they apply for the low-income subsidy.

Partial Dual Eligibles: Historical Caseload and Projections

	Actuals	Monthly Change	% Change			Caseload	% Change	Level Change		Monthly Average Growth Actuals		
Dec-13	22,534	-	-		FY 2002-03	8,988	-	-		FY 2013-14 1st Half	61	0.28%
Jan-14	22,740	206	0.91%		FY 2003-04	9,842	9.50%	854		FY 2013-14 2nd Half	524	2.20%
Feb-14	23,302	562	2.47%		FY 2004-05	9,605	-2.41%	(237)		FY 2013-14	292	1.24%
Mar-14	24,063	761	3.27%		FY 2005-06	11,092	15.48%	1,487		FY 2014-15 1st Half	378	1.42%
Apr-14	24,662	599	2.49%		FY 2006-07	12,908	16.37%	1,816		FY 2014-15 2nd Half	436	1.51%
May-14	25,120	458	1.86%		FY 2007-08	14,214	10.12%	1,306		FY 2014-15	407	1.47%
Jun-14	25,676	556	2.21%		FY 2008-09	15,075	6.06%	861				
Jul-14	25,963	287	1.12%		FY 2009-10	15,919	5.60%	844				
Aug-14	26,347	384	1.48%		FY 2010-11	17,090	7.36%	1,171				
Sep-14	26,787	440	1.67%		FY 2011-12	18,871	10.42%	1,781				
Oct-14	27,229	442	1.65%		FY 2012-13	21,206	12.37%	2,335				
Nov-14	27,601	372	1.37%		FY 2013-14	23,378	10.24%	2,172				
Dec-14	27,944	343	1.24%		FY 2014-15	28,045	19.96%	4,667				
Jan-15	28,226	282	1.01%		FY 2015-16	32,330	15.28%	4,285				
Feb-15	28,158	(68)	-0.24%		FY 2016-17	36,113	11.70%	3,783				
Mar-15	28,332	174	0.62%		FY 2017-18	40,374	11.80%	4,261				
Apr-15	29,170	838	2.96%									
May-15	30,224	1,054	3.61%									
Jun-15	30,560	336	1.11%									
Jul-15	30,877	317	1.04%									
Aug-15	31,244	367	1.19%									
Sep-15	31,278	34	0.11%									
Oct-15	31,293	15	0.05%									
Nov-15	31,903	610	1.95%									
Dec-15	32,143	240	0.75%									

TOTAL MEDICAID SUMMARY

Average monthly caseload for total Medicaid in FY 2014-15 was 1,161,206, which was 73 clients, or 0.01% under what was forecasted in February 2015. All adjustments for expansion populations have been changed to match actual observations through December 2015. The Department is increasing caseload growth in FY 2015-16, based on the first six months of FY 2015-16, with growth leveling out in future years as the Department believes that the aggressive caseload growth associated with the expansionary period will stabilize by FY 2016-17. Average monthly caseload for total Medicaid in FY 2015-16 is projected to grow by 12.22% from FY 2014-15, and then 6.36% from FY 2015-16 to FY 2016-17 and 3.46% from FY 2016-17 to FY 2017-18.



Total Medicaid: Historical Caseload and Projections											
	Actuals	Monthly Change	% Change		Caseload	% Change	Level Change		Monthly Average Growth Actuals		
Dec-13	772,954	-	-	FY 2002-03	331,800	-	-	FY 2013-14 1st Half	7,313	0.99%	
Jan-14	889,665	116,711	15.10%	FY 2003-04	367,559	10.78%	35,759	FY 2013-14 2nd Half	45,752	5.29%	
Feb-14	923,526	33,861	3.81%	FY 2004-05	406,024	10.46%	38,465	FY 2013-14	26,533	3.14%	
Mar-14	976,972	53,446	5.79%	FY 2005-06	402,218	-0.94%	(3,806)	FY 2014-15 1st Half	17,618	1.62%	
Apr-14	1,009,483	32,511	3.33%	FY 2006-07	392,229	-2.48%	(9,989)	FY 2014-15 2nd Half	14,711	1.24%	
May-14	1,021,745	12,262	1.21%	FY 2007-08	391,962	-0.07%	(267)	FY 2014-15	16,164	1.43%	
Jun-14	1,047,466	25,721	2.52%	FY 2008-09	436,812	11.44%	44,850				
Jul-14	1,068,332	20,866	1.99%	FY 2009-10	498,797	14.19%	61,985				
Aug-14	1,089,078	20,746	1.94%	FY 2010-11	560,759	12.42%	61,962				
Sep-14	1,106,597	17,519	1.61%	FY 2011-12	619,963	10.56%	59,204				
Oct-14	1,120,120	13,523	1.22%	FY 2012-13	682,994	10.17%	63,031				
Nov-14	1,125,105	4,985	0.45%	FY 2013-14	853,197	24.92%	170,203				
Dec-14	1,153,171	28,066	2.49%	FY 2014-15	1,130,197	32.47%	277,000				
Jan-15	1,172,532	19,361	1.68%	FY 2015-16	1,261,496	11.62%	131,299				
Feb-15	1,194,129	21,597	1.84%	FY 2016-17	1,342,326	6.41%	80,830				
Mar-15	1,209,912	15,783	1.32%	FY 2017-18	1,390,144	3.56%	47,818				
Apr-15	1,221,991	12,079	1.00%								
May-15	1,232,065	10,074	0.82%								
Jun-15	1,241,434	9,369	0.76%								
Jul-15	1,247,541	6,107	0.49%								
Aug-15	1,261,268	13,727	1.10%								
Sep-15	1,269,735	8,467	0.67%								
Oct-15	1,272,951	3,216	0.25%								
Nov-15	1,283,903	10,952	0.86%								
Dec-15	1,298,364	14,461	1.13%								
November 2015 Forecast											
Forecasted December 2015 Level			1,287,043								
Base trend from December 2015 level											
FY 2015-16	1,285,329	10.69%	124,123								
Total Adjustments											
FY 2014-15				31,009							
FY 2015-16				41,584							
FY 2016-17				43,565							
FY 2017-18				43,732							
February 2016 Projections After Adjustments											
FY 2014-15		1,161,206	36.10%	308,009							
FY 2015-16		1,303,080	12.22%	141,874							
FY 2016-17		1,385,891	6.36%	82,811							
FY 2017-18		1,433,876	3.46%	47,985							
November 2015 Projection Before Adjustments											
FY 2014-15		1,130,213	32.47%	277,016							
FY 2015-16		1,253,157	10.88%	122,944							
FY 2016-17		1,313,409	4.81%	60,252							
FY 2017-18		1,367,021	4.08%	53,612							
Total Adjustments											
FY 2014-15				30,993							
FY 2015-16				38,314							
FY 2016-17				38,596							
FY 2017-18				38,759							
November 2015 Projection After Adjustments											
FY 2014-15		1,161,206	36.10%	308,009							
FY 2015-16		1,291,471	11.22%	130,265							
FY 2016-17		1,352,005	4.69%	60,534							
FY 2017-18		1,405,780	3.98%	53,775							
Monthly Average Growth Comparisons											
FY 2015-16 1st Half								R-1	S-1		
FY 2015-16 2nd Half								8,003	9,488		
FY 2015-16 2nd Half to Reach R-1 Estimate								6,496	10,144		
FY 2015-16								5,011	9,816		
FY 2016-17 1st Half								7,250	9,816		
FY 2016-17 2nd Half								3,660	4,102		
FY 2016-17								3,460	4,102		
FY 2016-17								3,560	4,102		
FY 2017-18 1st Half								5,335	3,911		
FY 2017-18 2nd Half								5,261	3,911		
FY 2017-18								5,298	3,911		